

**indra**

# Investors Presentation

Leading the Future

November 2024



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# Indra's Vision and Main Figures

## Become the Spanish multinational of reference in Defence & Aerospace and Advanced Digital Technologies



**€4.3Bn**

Revenues 2023

**€446m**

EBITDA 2023

*10,3% EBITDA margin*

**€347m**

EBIT 2023

*8,0% EBIT margin*

**>140**

Countries

**~58,000**

Employees

**€373m**

In R&D



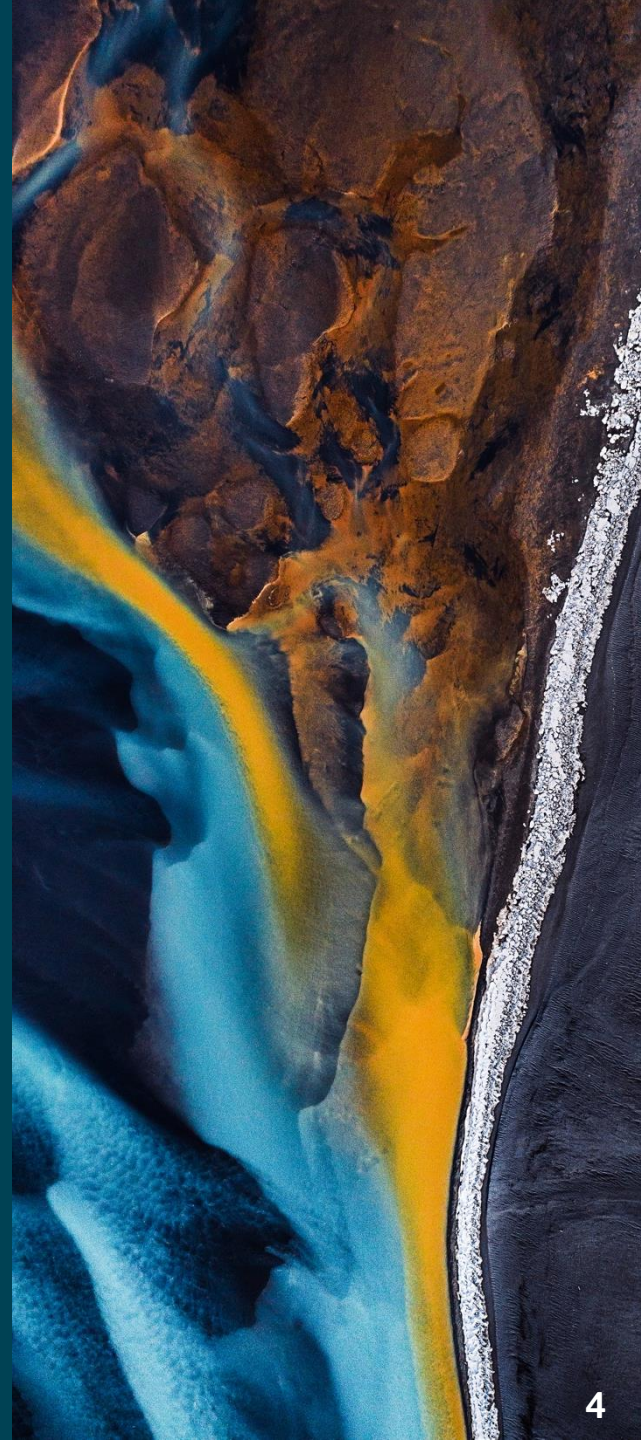
# Main Figures by Division

Defence	2023 (€m)	2022 (€m)	Variation (%) Reported / Local currency
Backlog	2,953	2,953	(0.0) / 0.0
Net Order Intake	817	1,338	(38.9) / (38.9)
Revenues	817	662	23.4 / 23.5
EBITDA	163	132	23.6
EBITDA Margin %	20.0%	19.9%	0.1 pp
Operating Margin	152	115	32.3
Operating Margin %	18.6%	17.3%	1.3 pp
EBIT	146	111	31.8
EBIT margin %	17.8%	16.7%	1.1 pp
Book-to-bill	1.00	2.02	(50.5)
Backlog / Revs LTM	3.61	4.46	(19.0)

Air Traffic Management	2023 (€m)	2022 (€m)	Variation (%) Reported / Local currency
Backlog	737	679	8.5 / 10.5
Net Order Intake	371	504	(26.5) / (24.5)
Revenues	361	299	20.8 / 25.1
EBITDA	57	43	32.8
EBITDA Margin %	15.8%	14.4%	1.4 pp
Operating Margin	46	33	39.8
Operating Margin %	12.8%	11.0%	1.8 pp
EBIT	44	31	42.1
EBIT margin %	12.3%	10.4%	1.9 pp
Book-to-bill	1.03	1.69	(39.2)
Backlog / Revs LTM	2.04	2.27	(10.2)

Minsait	2023 (€m)	2022 (€m)	Variation (%) Reported / Local currency
Backlog	2,172	1,742	24.7 / 25.2
Net Order Intake	3,047	2,615	16.5 / 18.6
Revenues	2,798	2,542	10.1 / 11.6
EBITDA	214	205	4.5
EBITDA Margin %	7.7%	8.1%	(0.4) pp
Operating Margin	196	187	4.4
Operating Margin %	7.0%	7.4%	(0.4) pp
EBIT	151	142	6.3
EBIT margin %	5.4%	5.6%	(0.2) pp
Book-to-bill	1.09	1.03	5.9
Backlog / Revs LTM	0.78	0.69	13.2

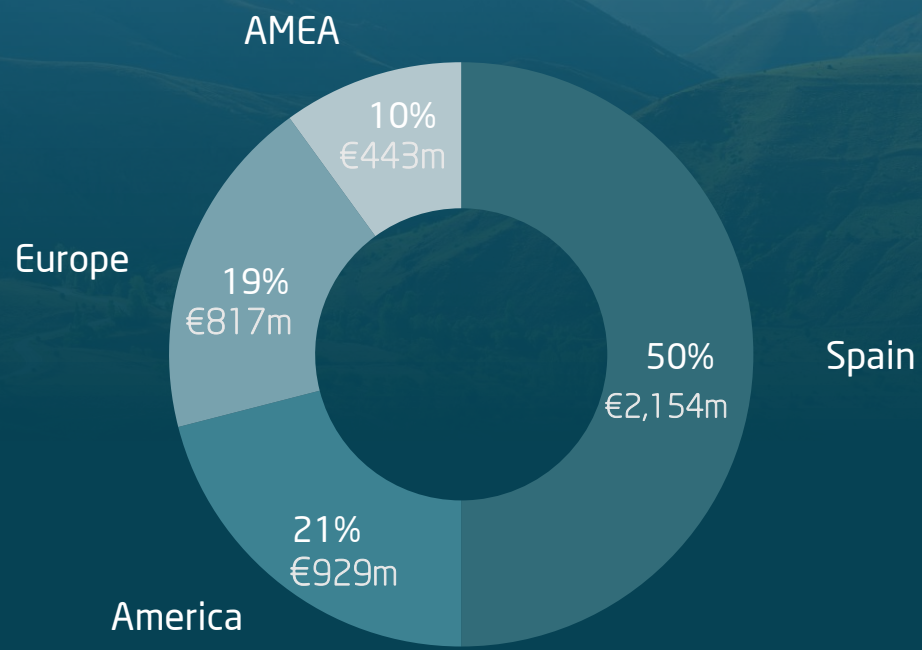
Mobility	2023 (€m)	2022 (€m)	Variation (%) Reported / Local currency
Backlog	914	934	(2.1) / (2.0)
Net Order Intake	348	321	8.3 / 7.6
Revenues	366	348	5.3 / 5.8
EBITDA	12	20	(43.2)
EBITDA Margin %	3.2%	5.8%	(2.6) pp
Operating Margin	9	19	(52.1)
Operating Margin %	2.5%	5.5%	(3.0) pp
EBIT	6	17	(64.2)
EBIT margin %	1.6%	4.8%	(3.2) pp
Book-to-bill	0.95	0.92	2.9
Backlog / Revs LTM	2.50	2.69	(7.1)



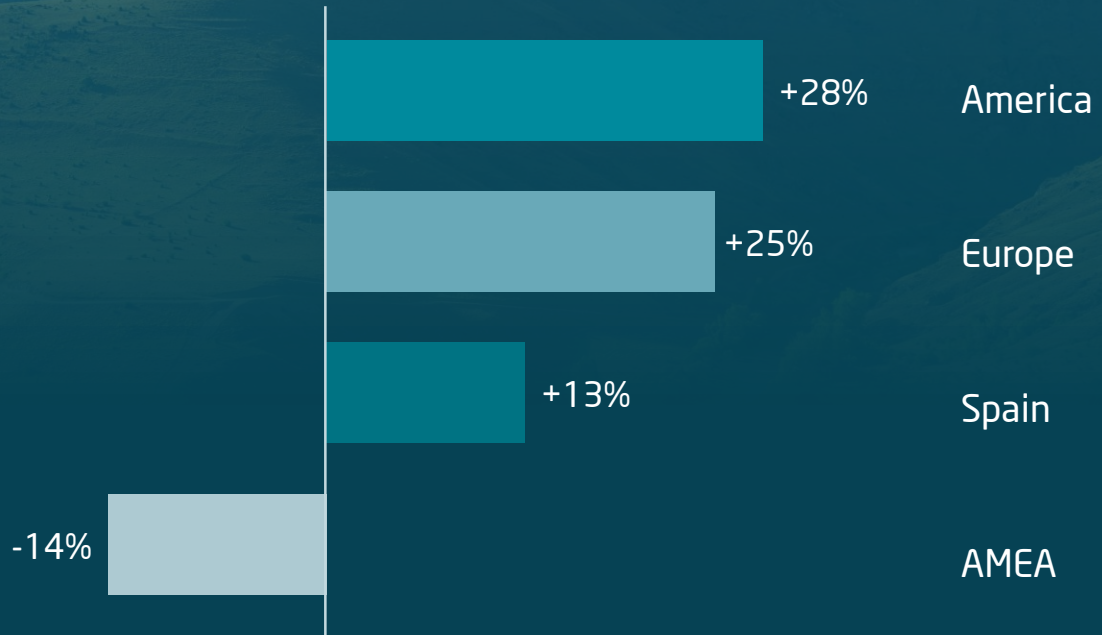


# Revenues breakdown by Geography

Sales 2023  
€4,343m

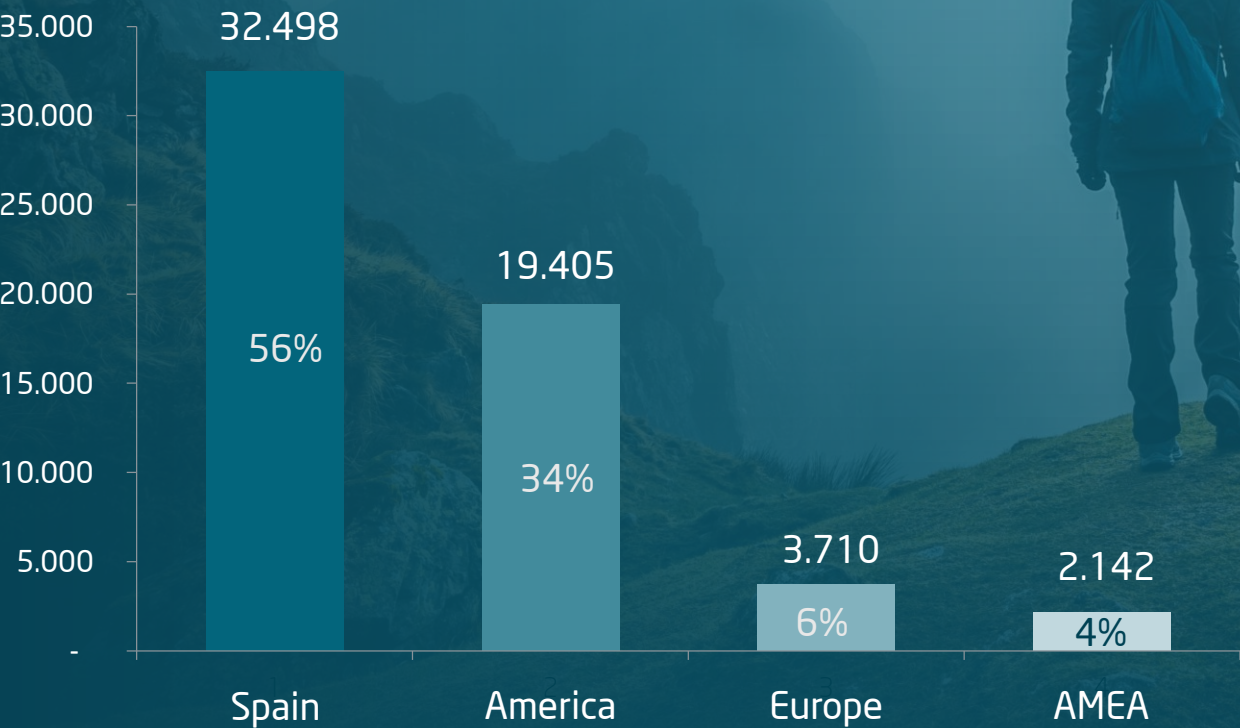



Revenue Growth 2023 vs 2022  
(figures in Local currency)



# Key Workforce Figures

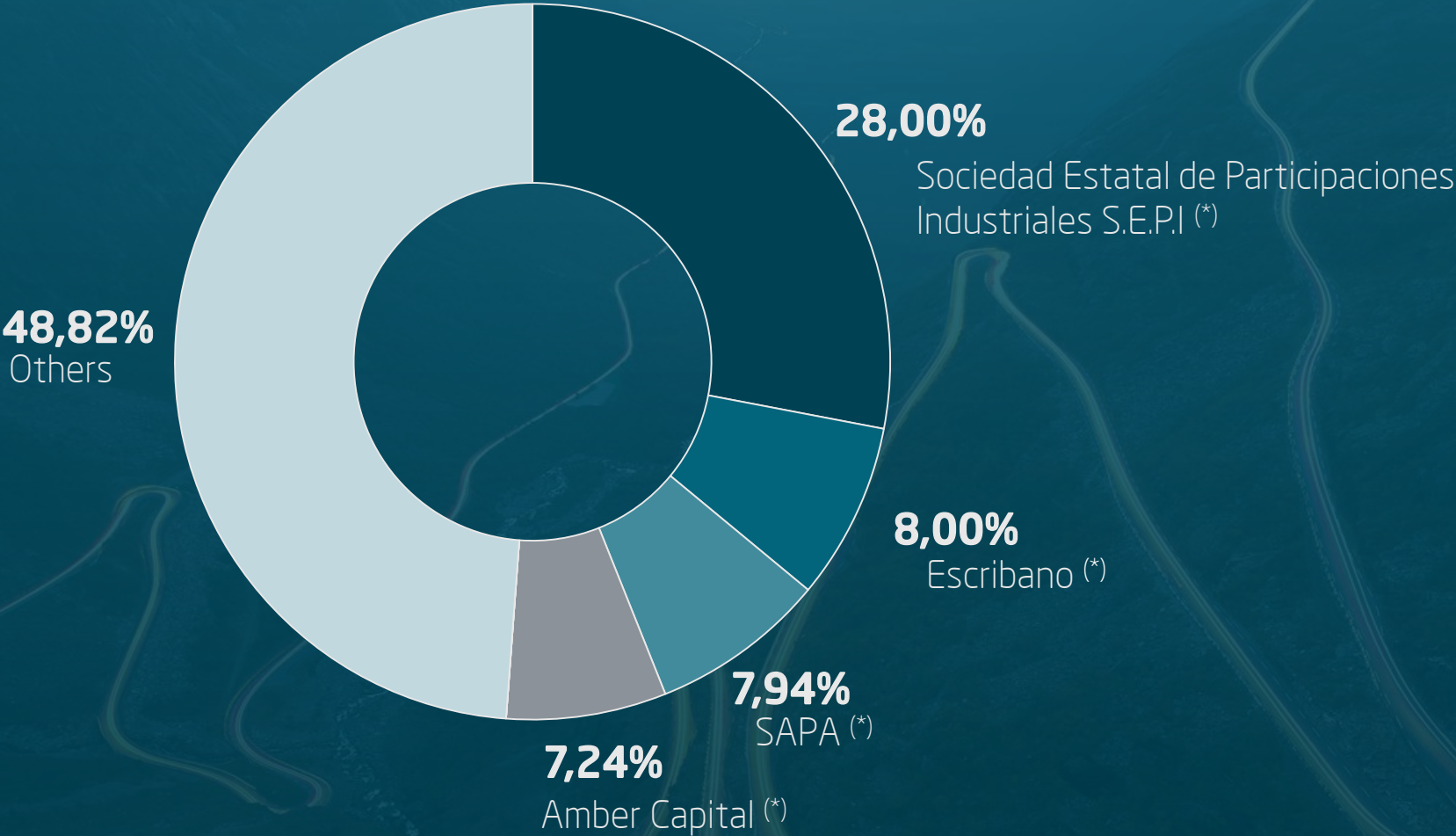
Employees by Region 2022  
57,755



	Employee commitment	73%
	Employee attrition rate	12%
	Employee promotions	26%
	Diversity	32%



# Main Shareholders



(\*) Board of Directors representation  
CNMV data. Identified shareholders with a position in excess of 3%







Figures updated as of 17/10/2024

The data provided in this section includes the information provided by the shareholders to the Spanish National Securities Market Commission (CNMV), and with regard to the shareholders who are represented on the Board of Directors, the information which has been notified to the Company.




# Key ESG achievements


## Relevant presence in the main ESG indexes

 Now a Part of <b>S&amp;P Global</b>	 FTSE4Good	 <b>SUSTAINALYTICS</b>
<b>TOP 1%</b> Nº1 industry leader in <b>DJSI World 2021, 2022 &amp; 2023 S&amp;P Sustainability Award Gold Class</b>	<b>Member</b> <b>Best score</b> in governance, Human Rights, labor standards, and Climate Change	<b>Low ESG Risk</b> Demonstrating strong management of ESG relevant issues with a solid corporate governance
 <b>MSCI</b>	 2023 ecovadis Sustainability Rating	 <b>CDP</b> DRIVING SUSTAINABLE ECONOMIES
<b>AA</b> High performance on <b>corporate governance, emissions and Clean Tech. opportunities</b>	<b>Platinum Top 1%</b> Fulfilling most stringent <b>environmental, labor practice and human rights</b> requirements	<b>A List</b> Leading <b>climate action</b> with first-class practices on <b>climate change</b>


## Committed to talent

	<b>Recognized as a Top Employer for 5 years</b> for the outstanding work environment and talent development practices
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## Supporting gender equality

	Listed in the <b>Bloomberg Gender Equality Index 2023 for gender equality best practice</b> <ul style="list-style-type: none"><li>▪ <b>32% women on staff</b></li></ul>
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## Acting on Climate Change

 <b>SCIENCE BASED TARGETS</b> DRIVING AMBITIOUS CORPORATE CLIMATE ACTION	<ul style="list-style-type: none"><li>▪ <b>2030: -50%</b> scope 1 and 2 and -14% scope 3 emissions</li><li>▪ <b>2040:</b> carbon neutral, -50% scope 3 emissions</li><li>▪ <b>2050:</b> net zero</li></ul>
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# Main Figures 2015-2023

	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Backlog (€m)	3,193	3,129	3,612	4,065	4,511	5,229	5,459	6,309	6,776
Order Intake (€m)	2,651	2,744	3,248	3,437	3,686	3,858	3,714	4,778	4,583
Revenues (€m)	2,850	2,709	3,011	3,104	3,204	3,043	3,390	3,851	4,343
EBITDA (€m)	131	229	266	293	343	230 <sup>(2)</sup>	349 <sup>(3)</sup>	400	446
EBIT (€m)	45 <sup>(1)</sup>	162	196	199	221	120 <sup>(2)</sup>	256 <sup>(3)</sup>	300	347
EBIT margin	1.6% <sup>(1)</sup>	6.0%	6.5%	6.4%	6.9%	4.0% <sup>(2)</sup>	7.5% <sup>(3)</sup>	7.8%	8.0%
Net profit Reported (€m)	-641	70	127	120	121	-65	143	172	206
CAPEX (€m) net of subsidies	37	28	40	79	76	39	-11	39	15
FCF (€m)	-50	184	186	168	8	83	289	253	312
Net Debt (€m)	700	523	588	483	552	481	240	43	107

(1) Before non-recurrent items of €687m

(2) Before non-recurrent items of €153m

(3) Includes non-recurrent items of €10m



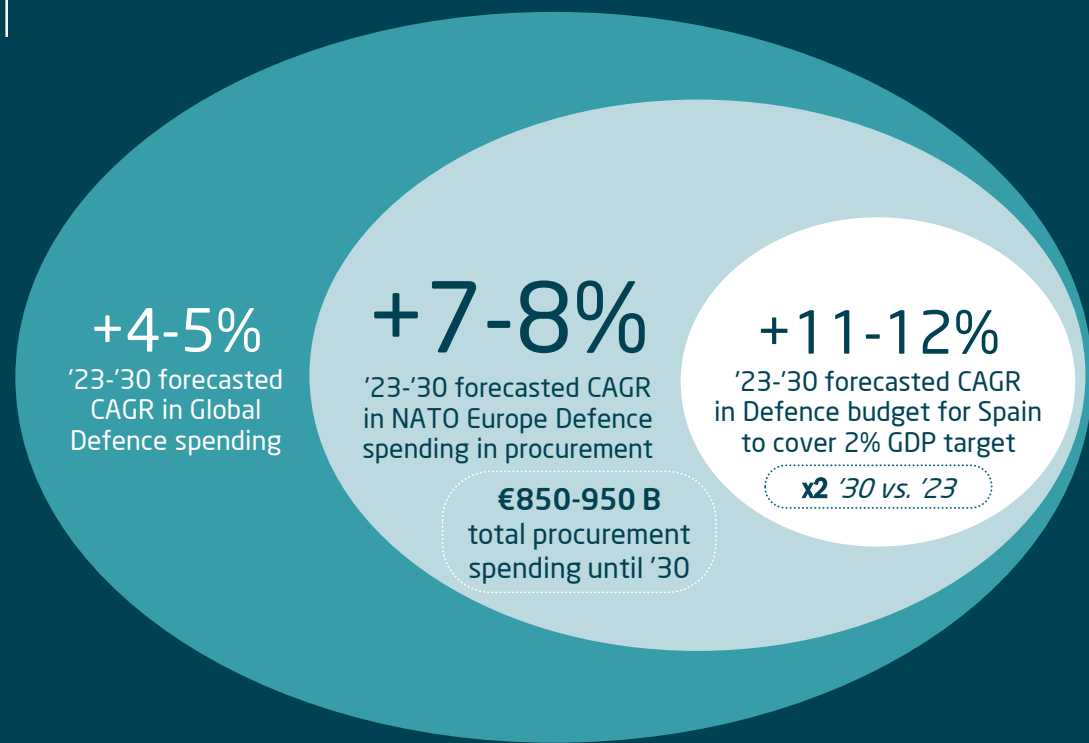
# Long-term Strategic vision '24-'30



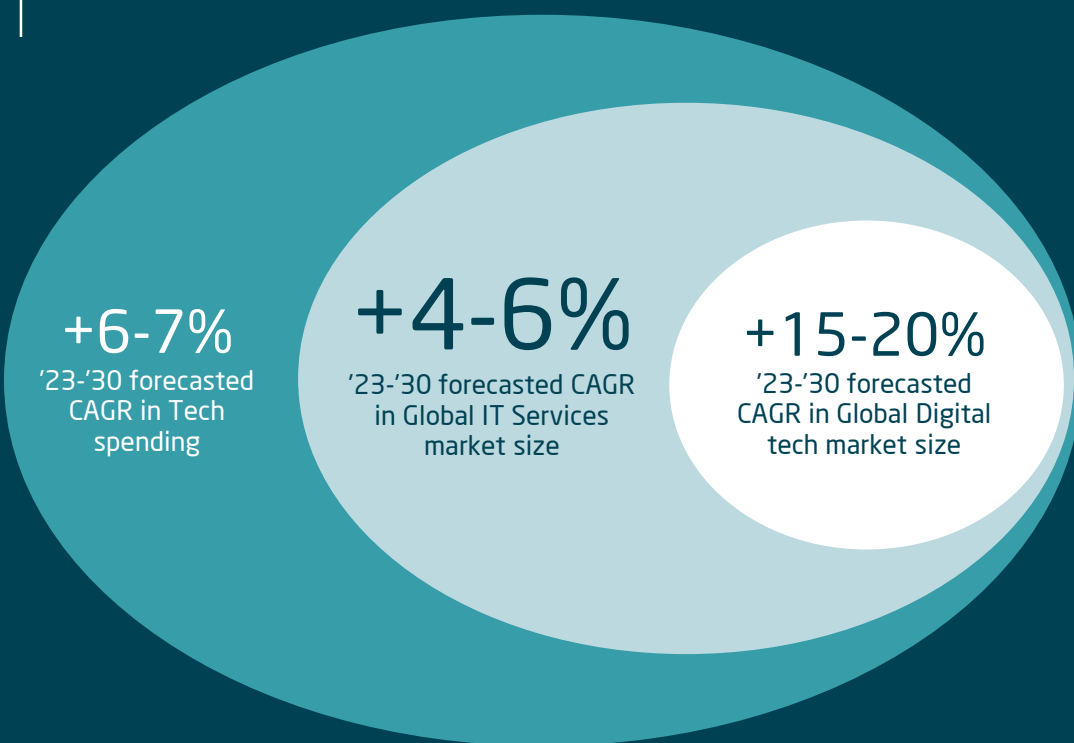
# Market Environment

## Growth in Defence & Technology

### Defence



### Technology



Source: NATO; MinsDef; Country announced budgets; Industry sources (e.g. Gartner, Forrester, and other specialized market reports); Internal analysis

# Market Drivers |

## Five underlying drivers shaping Defence & Technology

01

Enduring and increasing military conflicts

02

New Defence investment cycle in Europe, leading to new programmes with active Spanish participation

03

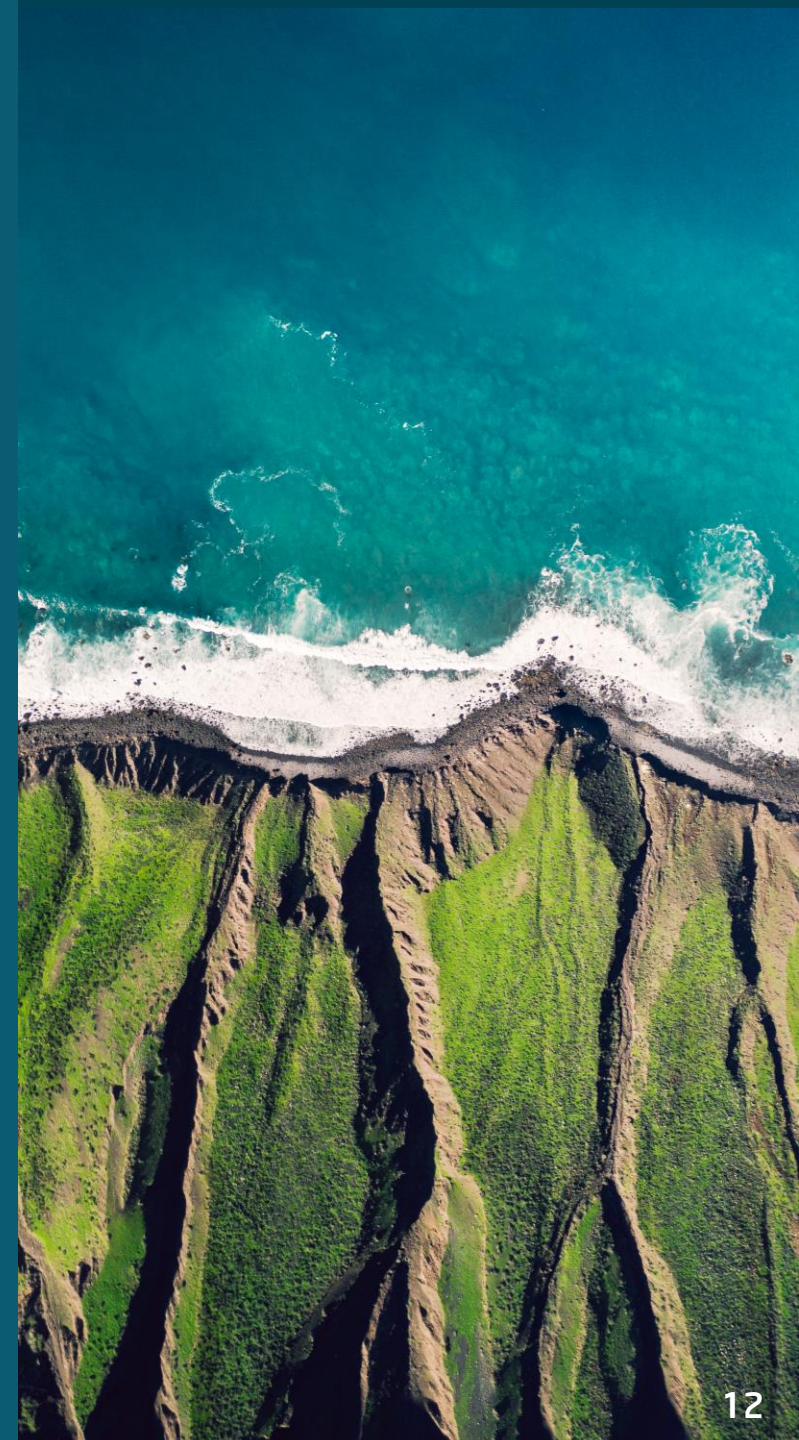
Increasing relevance of technology and share of Defence Systems due to Europe's operational platform modernization

04

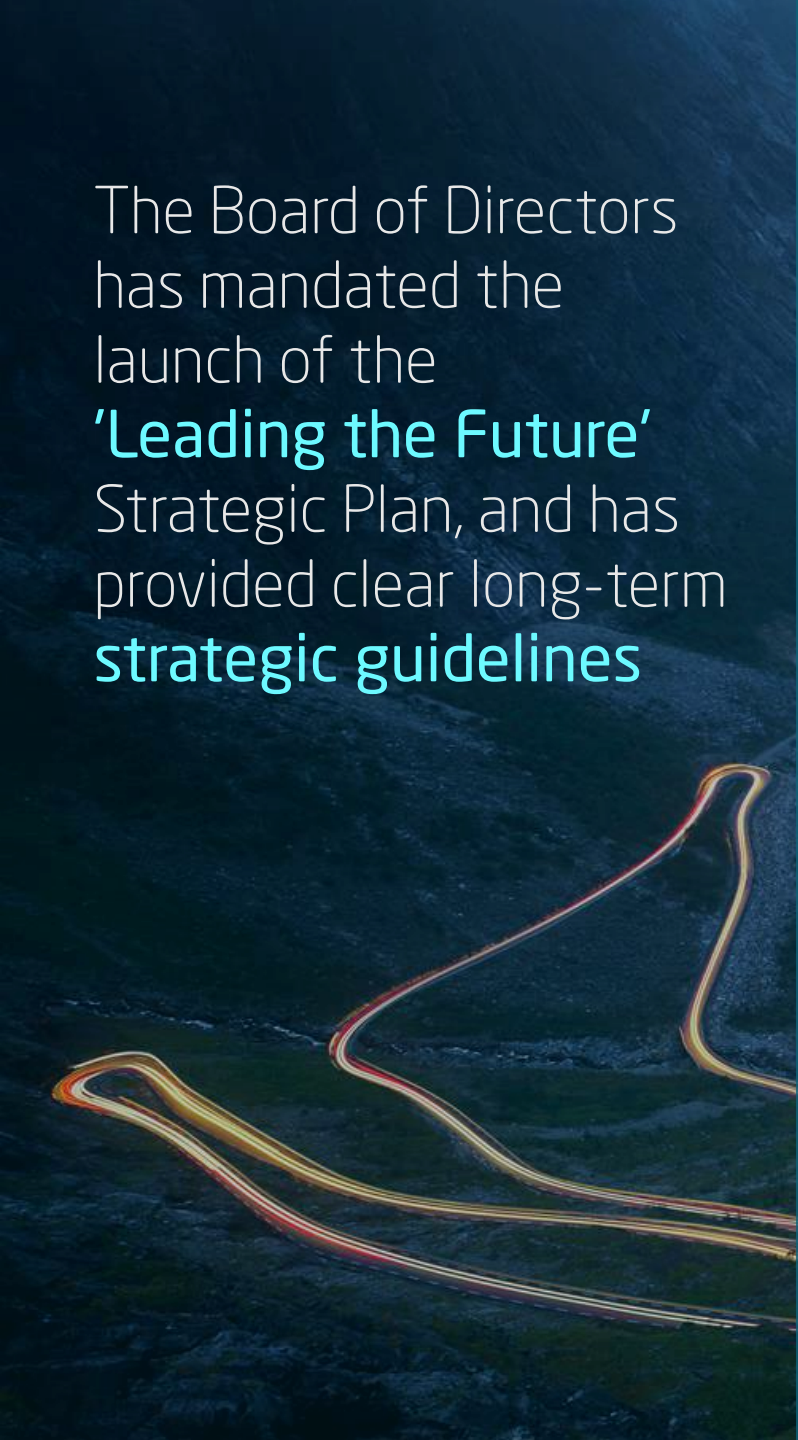
Integration of Land, Sea & Air with new Space & Cyberspace domains emphasizes the need for multidomain interoperability

05

New wave of digitalization led by AI, Cloud & Cybersecurity as game-changer of society and economy







The Board of Directors has mandated the launch of the **'Leading the Future'** Strategic Plan, and has provided clear long-term **strategic guidelines**

01. | Accelerate transition to a **multidomain national reference** in **Defence**
  - Evolve to a Global System Integrator and Domestic Coordinator in Air & Land
  - Develop the Space domain, creating a European Tier-1 business with end-to-end capabilities
02. | Reach **Global ATM leadership**, scaling-up in North America & Asia-Pacific and expanding into unmanned traffic management
03. | Become the advanced **technology & services ecosystem Coordinator** across industries in Europe & LatAm
  - Foster the development of most advanced digital technologies and capabilities in AI, Cloud & Cybersecurity
04. | **Divest non-core assets** and proactively **boost acquisitions** and **partnerships/alliances**
05. | Reinforce **brands** to continue being the **preferred employer** for the **high-value technological talent** in priority geographies



# Strategic Lines

## 'Leading the Future' pivots around seven strategic lines

### Business strategic lines

#### 1. Focus on Defence & Aerospace



Defence



Air Traffic Management

#### 2. Create a Space NewCo



Space

#### 3. Increase Minsait's autonomy with partner(s)



Minsait

### Cross-Group strategic lines

#### 4. Strengthen presence in new 'home markets'

#### 5. Activate portfolio rotation (M&A) and expand the ecosystem (partnerships and alliances)

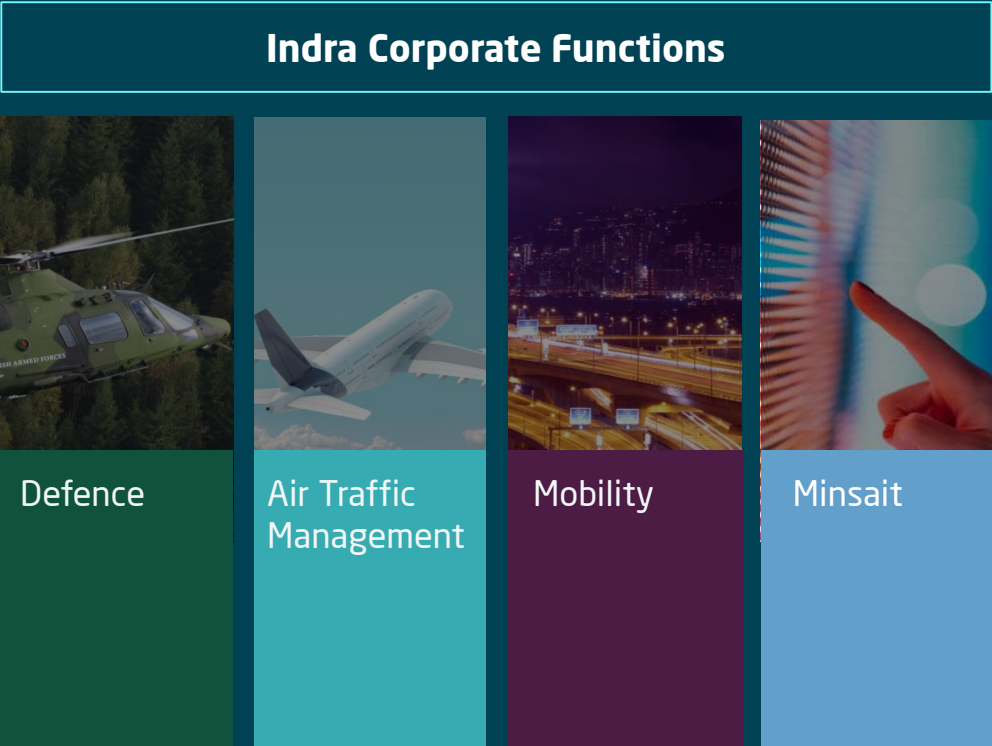
#### 6. Increase investment in technological R&D

#### 7. 'Double down' on critical talent

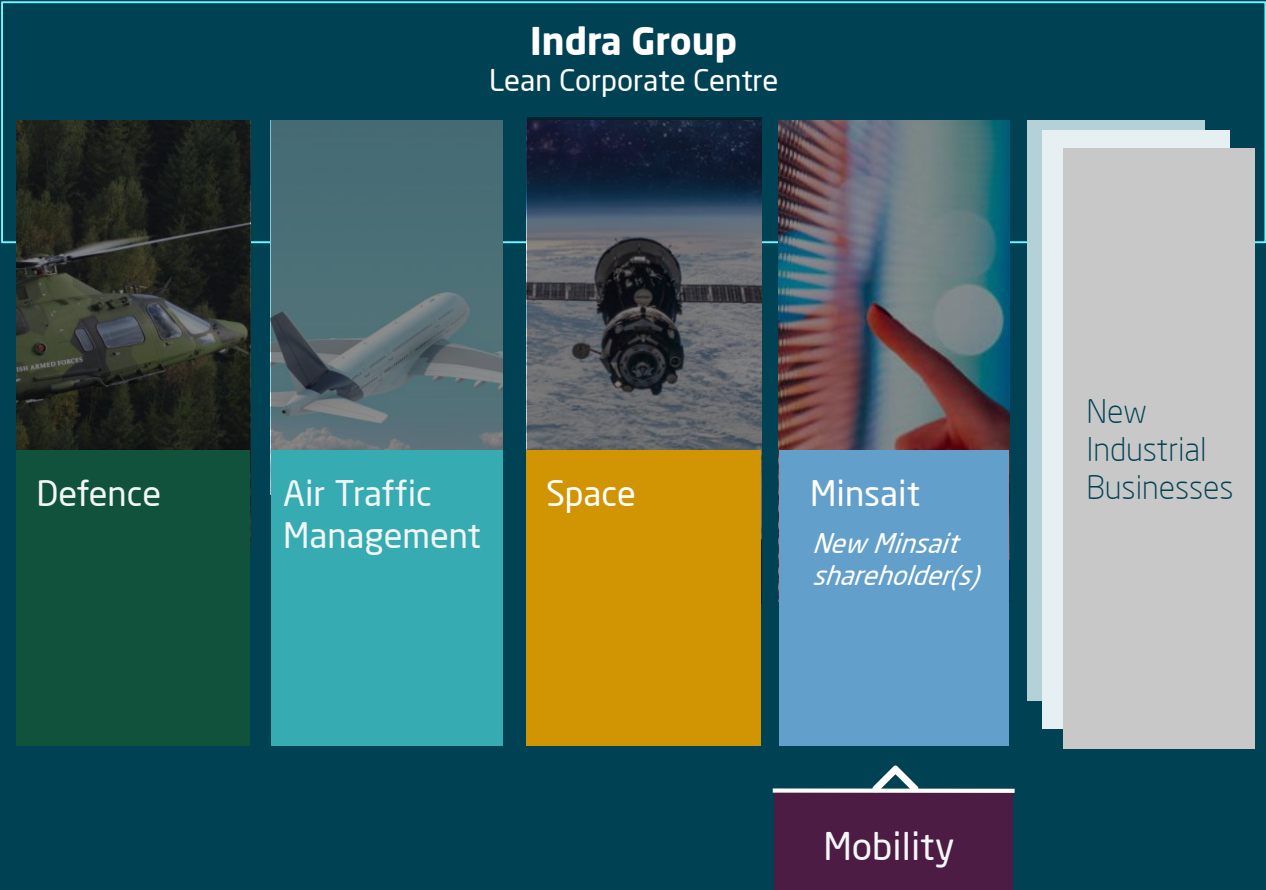
# Indra's Future Structure

Indra will evolve towards a more flexible Group structure

## INDRA'S CURRENT STRUCTURE



## INDRA'S FUTURE STRUCTURE



Indra Defence  
vision



Evolve into a **Land, Air & Cyberspace Spanish Coordinator** in European programmes

Become a **Defence Systems Integrator of reference**

Transform the business from  
**National to International**



# 1. Focus on Defence & Aerospace | Defence

Become a multidomain System Integrator;  
Act as Coordinator in specific programmes



Air



Land



Sea



Cyberspace



Space

## Large programmes & integrated systems

National Coordinator in  
European programmes  
International air Defence  
Systems Integrator

National Coordinator in  
European programmes  
System Integrator of  
reference at European/  
international level

Integrator of specific  
naval systems at National  
and European level

Coordinator of National  
and European cooperation  
cyberspace Defence  
programmes

National leader and  
European Tier-1 company  
  
Detailed in strategic line #2:  
Create a Space NewCo

## Aftermarket

Evolution towards **Aftermarket 4.0** and **more sophisticated** models bringing **higher recurrence** and **margin**

Indra will **leverage the ecosystem**  
to achieve the Defence vision



**Europe**  
(M&A &  
partnerships)



**Middle East**  
(Local JVs /  
partnerships)



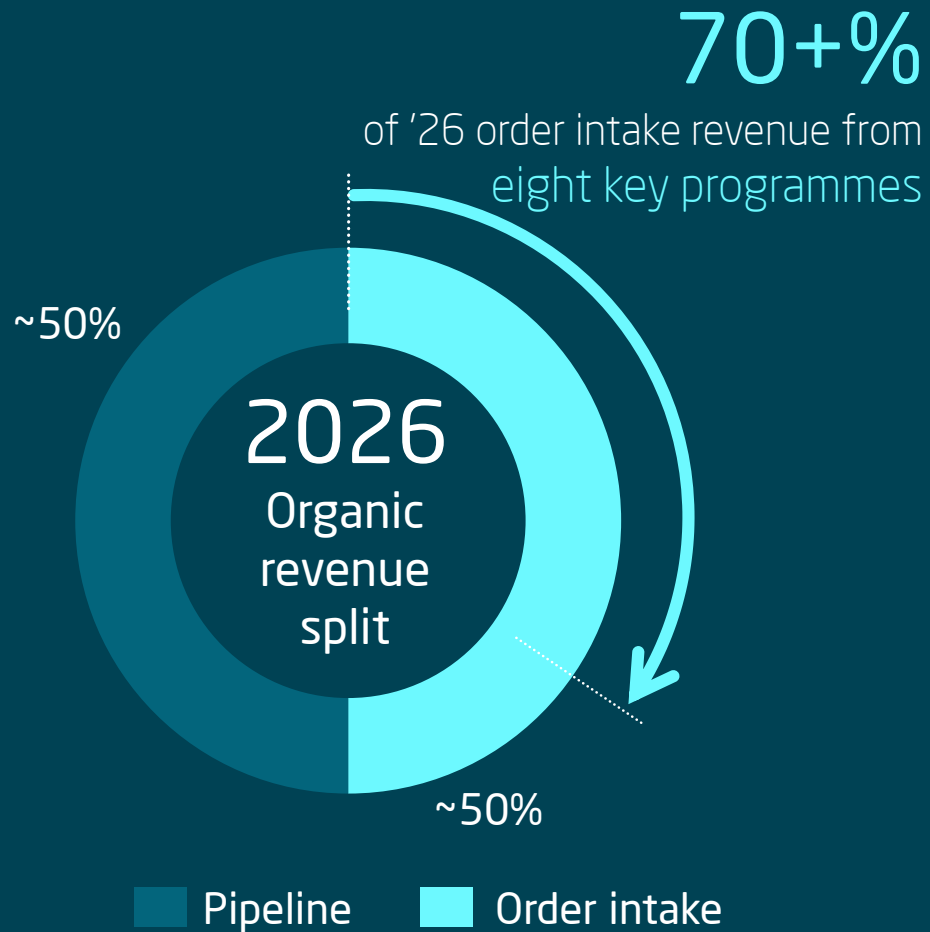
**U.S.**  
(Local  
partnerships)



**Rest**  
(Export)

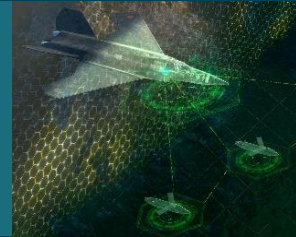
# 1. Focus on Defence & Aerospace | Defence

50% of '26 organic sales already committed, of which 70+% are from eight programmes



## FCAS

National Coordinator  
for NGWS programme, &  
international leader for  
the Sensors pillar



## Eurofighter

Supply of next-generation  
Radar & Electronic  
Defence Systems



## NH-90

Integration of  
Self-protection &  
Simulation Systems



## A-400M

Supply of Surveillance  
& Self-Protection  
Systems



## MKIII (Tiger)

Modernization of Tiger  
helicopters with Mission  
& Electronic Defence  
Systems



## Chinook

Supply of Mission &  
Electronic Defence  
Systems



## VCR 8x8

Integration of Mission &  
Situational Awareness  
Systems in ~350 vehicles



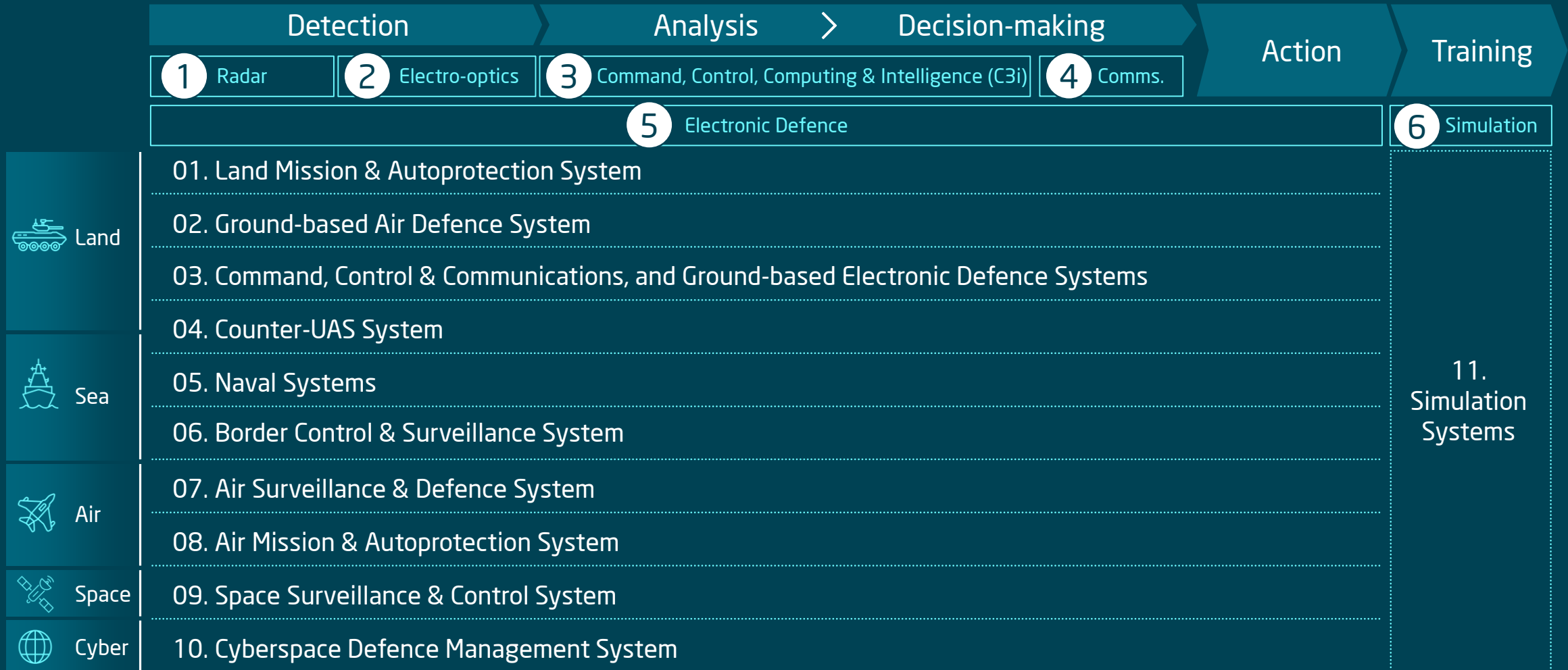
## F110

Integration of Electronic  
Defence Systems &  
next-generation Sensors



# 1. Focus on Defence & Aerospace | Defence

We will focus on six tech categories integrated into 11 client-focused solutions





# Indra Air Traffic Management vision



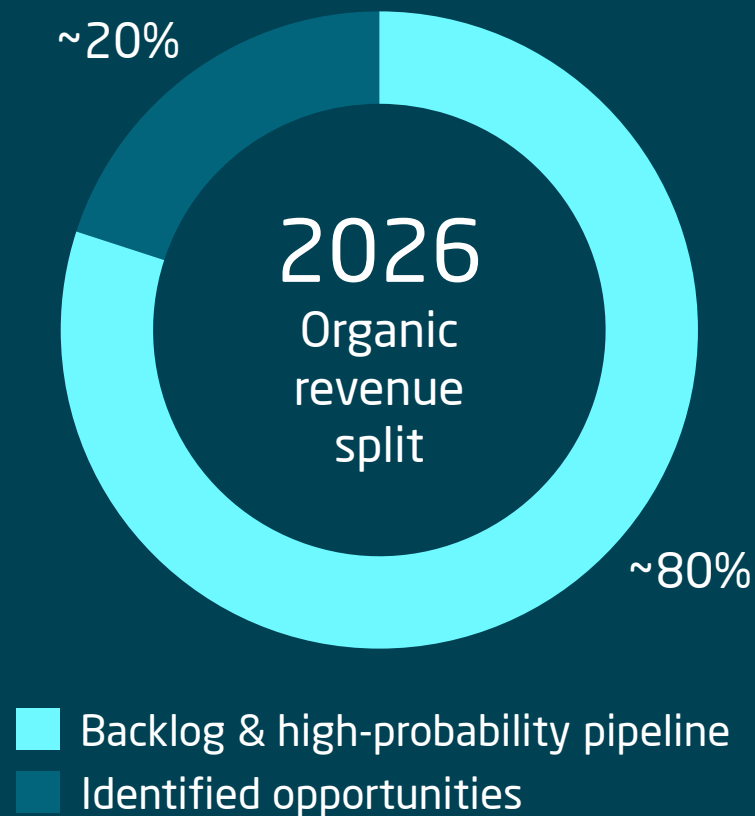
Maintain **leadership** in Air Traffic Management  
in **Europe, Middle East and Latin America**

Reach the **number one position globally**  
by strengthening our core presence in  
**North America and Asia-Pacific**

Extend the **automation technological solution**  
to Middle East, Latin America and Asia

# 1. Focus on Defence & Aerospace | ATM

## Indra will expand its European ATM leadership to other regions & market segments



Europe

### European leadership consolidation

- Reinforce **iTEC** alliance, pushing forward new **automation** solutions
- Capture **surveillance** system renewal programmes



North America



Asia-Pacific

### Expansion of leadership to North America and Asia-Pacific/India

- Integration of acquisitions (*e.g. SELEX*) and scale-up with alliances & bolt-ons to strengthen positioning towards incoming **U.S.** programmes
- Capture large **system renewal opportunities** and develop **Single Sky** programmes and **technology-partner-like alliances** in Asia-Pacific



UTM

### Development of local unmanned traffic management platform and opportunities

(*e.g. U-Space Service Provider*)

# 1. Focus on Defence & Aerospace | Defence & ATM

## Illustrative example of Radar operations turnaround

AS-IS			TO-BE	
60	Annual units in production	>	x3	Annual units in production
10-30%	Radar commonalities between markets for main radar families (e.g. ATM and air defence, air defence and naval platforms)	>	+60%	Radar commonalities between markets for main radar families (e.g. ATM and air defence, air defence and naval platforms)
18	Radar families	>	13	Radar families evolving from 2025 to 2030
•	~30%	Design and prototyping lead time reduction	•	
•	~50%	Production lead time reduction	•	
•	~20%	Radar delivery cost reduction	•	



Indra Space  
vision



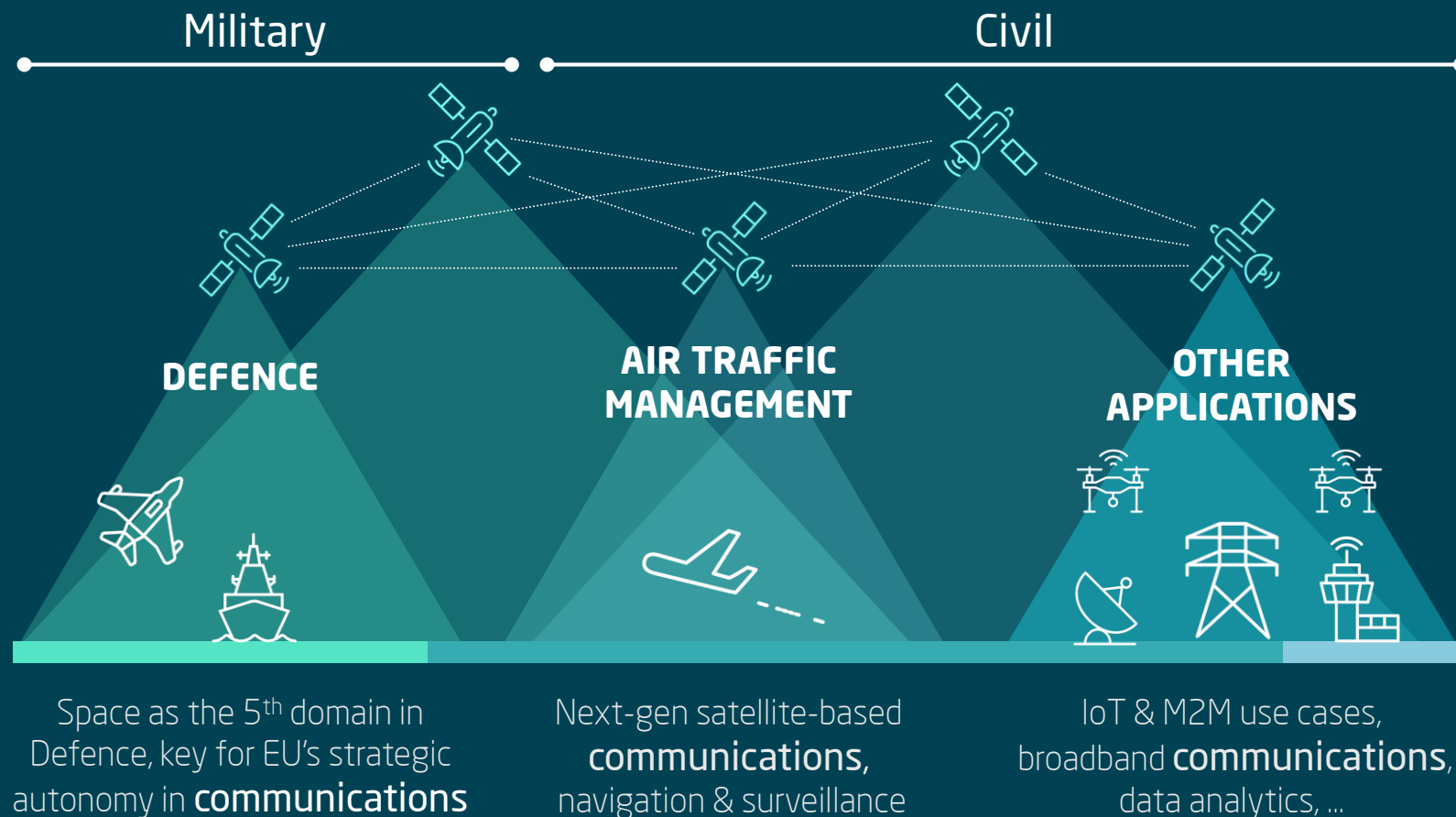
**Tier-1 European player** with global footprint  
and presence in main European programmes

**Dual civil-military offering** with  
**end-to-end capabilities** alongside the value chain

**International ecosystem of shareholders**  
**and partners** to accelerate growth

## 2. Create a Space NewCo

### Increasing relevance of **communications** for Spain's & Europe's strategic autonomy



Wide-spread presence of **Defence and ATM players** in the Space industry **with dedicated divisions** and strong M&A activity

Thales Elbit Systems

RTX Lockheed Martin

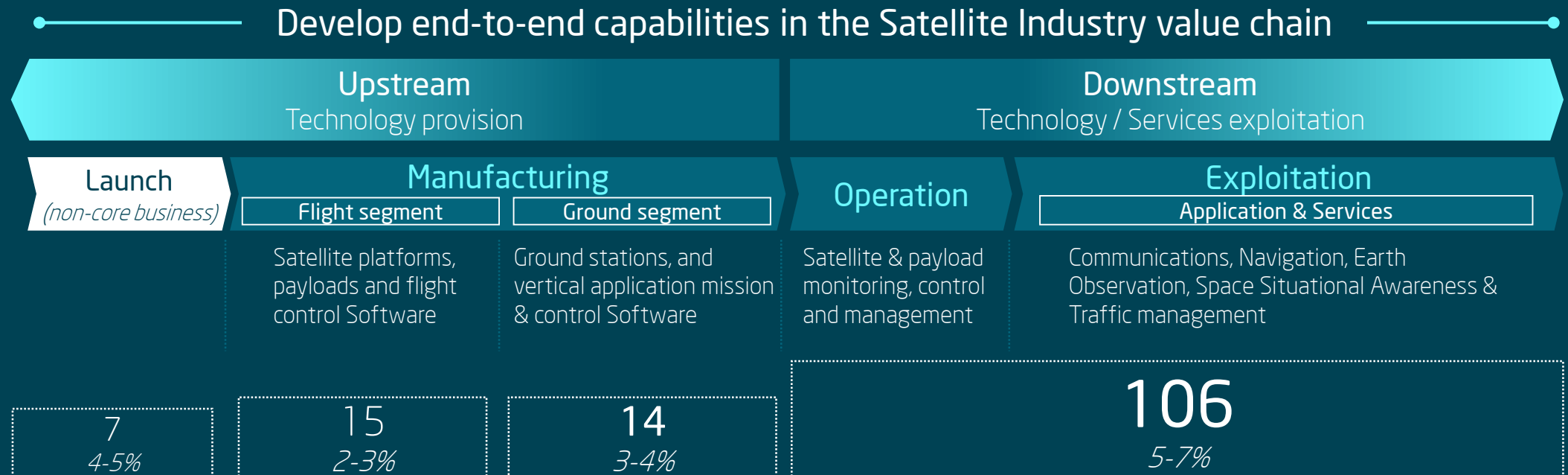
Northrop Grumman

Airbus Defence & Space

BAE Systems

## 2. Create a Space NewCo

Indra's Space business will be the cornerstone of a NewCo with end-to-end capabilities



NewCo  
priority focus  
(core-business)

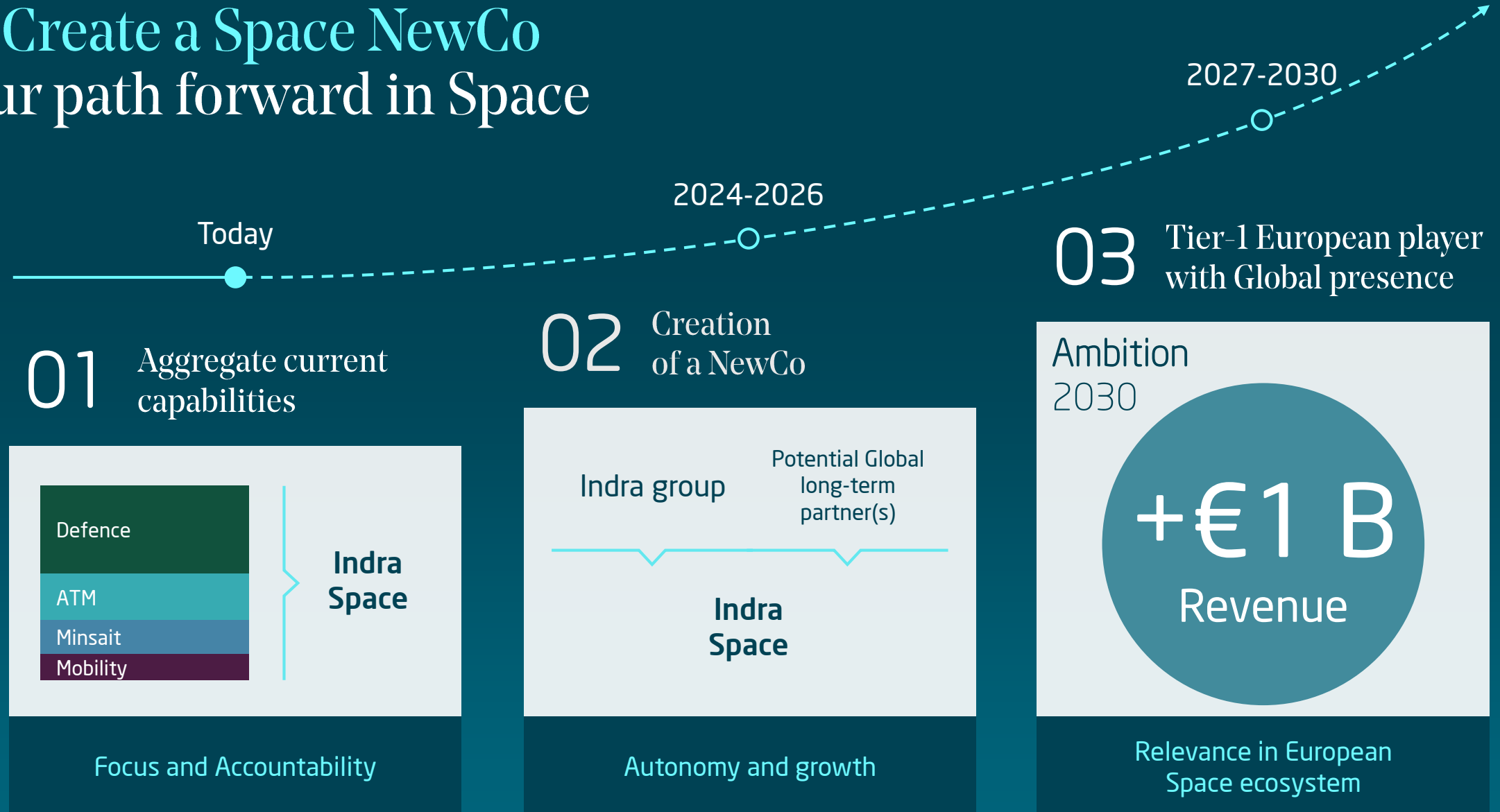


National & International targets have been identified along the value chain to expand the NewCo's end-to-end capabilities



## 2. Create a Space NewCo

### Our path forward in Space



Indra's vision  
for Minsait



Become one of the **main European and Latin American IT Services players**

Aggressively rebalance portfolio towards most-advanced **digital business** lines

Accelerate expansion into **higher-value geographies**

### 3. Increase Minsait's autonomy

01

Higher operating **autonomy** inside the Group, with **dedicated governance**

02

**Partner** with minority or majority **strategic shareholder(s)** to boost ambitious growth plan

03

**Mobility** as new business line to leverage Minsait capabilities

04

**Divestment of non-core businesses**

05

Reinforce **group-wide digital capabilities** to provide services to other Indra's businesses





### 3. Increase Minsait's autonomy

New partner(s) will be the cornerstone of Minsait's growth & repositioning plan

01



#### Operational excellence

Capture efficiencies through Gen AI roll-out; optimize unitary costs of production pyramids

02



#### Sales effectiveness

Deploy a proactive commercial model around priority offerings and target clients; develop joint sales plans with large techs

03



#### Maximization of value offer

Focus on digital: AI, Cloud, Cybersecurity & other high-potential tech (*AR/VR, IoT, IT-OT, blockchain*)

04



#### Consolidation of international presence

Focus on value geographies (Europe, Middle East); scale-up LatAm operations



Unique management of business & tech talent

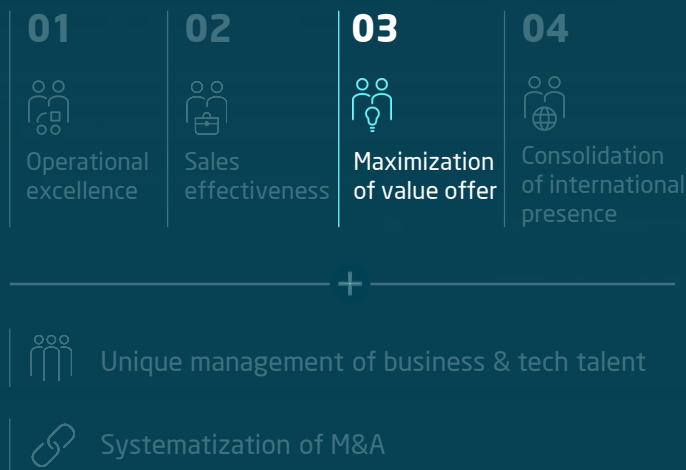


Systematization of M&A (*bolt-ons*) to reinforce shift towards digital and value geographies

# 3. Increase Minsait's autonomy

## Maximization of value offer

### Focus on digital



#### Artificial Intelligence

Data/ knowledge, foundational models, integration, use cases/ implementation in business processes

#### Cloud

Modernization of traditional applications (*new architectures, new technologies*) and cloud migration

#### Cybersecurity

Advanced services (*AI/ anticipation*), next-gen solutions (*information security and operations security*)

#### Payments

Value chain end-to-end proprietary software, in an as-a-Service format, for processors, end clients and fintechs

#### Sustainability

Digital assets/ use cases on energy transition, environment protection, circular economy, financial inclusion

#### Other high-potential technologies

New relationship models (*AR/VR*), physical operations automation (*IoT, edge, IT-OT, 5G/6G*), blockchain/ ledgers

# Strategic Lines

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### Business strategic lines

#### 1. Focus on Defence & Aerospace



Defence



Air Traffic Management

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Space

#### 3. Increase Minsait's autonomy with partner(s)



Minsait

### Cross-Group strategic lines

4. Strengthen presence in new 'home markets'

5. Activate portfolio rotation (M&A) and expand the ecosystem (partnerships and alliances)

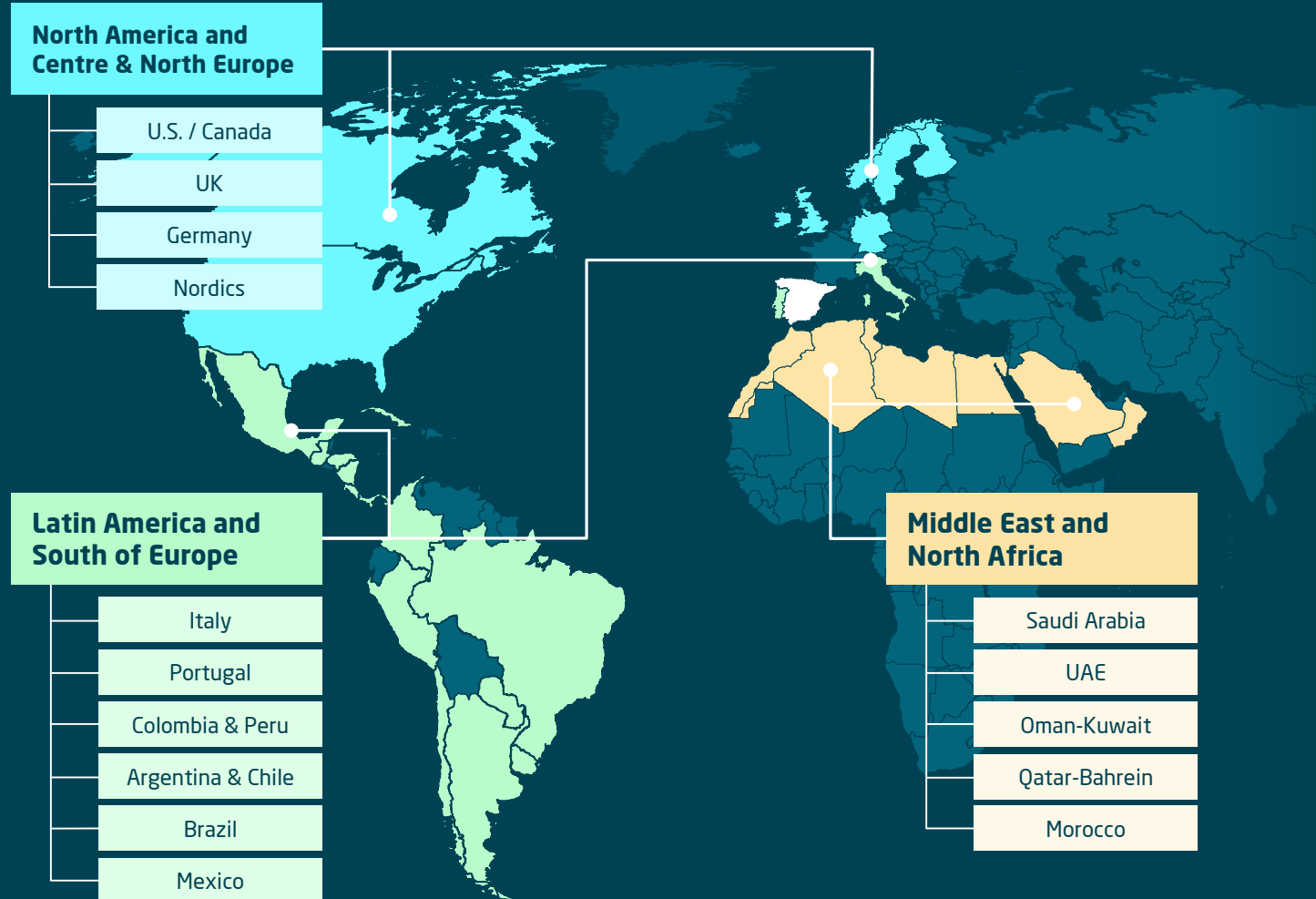
6. Increase investment in technological R&D

7. 'Double down' on critical talent



## 4. Strengthen presence in new 'home markets'

### Roll-out of three new clusters of 'home markets'



- 01** Implementation of three clusters of Home markets to strengthen local positioning and proximity to clients
- 02** Responsibility of the regions over the implementation of plans **locally** and in coherence with the global Group
- 03** Businesses accountable for P&L
- 04** Export model in Rest of the World

# 5. Activate portfolio rotation (M&A) and expand the ecosystem (partnerships and alliances)

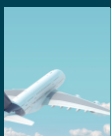
## M&A

### Acquisitions – M&A operations rationale



#### Defence

- Reinforce capabilities in **Land** domain
- Develop home markets in **Western Europe**
- Strengthen **sensors, Edge avionics** and **C-UAS** capabilities



#### ATM

- Develop **North American** market
- Reinforce **tower capabilities**



#### Space

- Scale-up **NewCo** at Global level
- Acquire **end-to-end capabilities** in **Upstream & Downstream**, with civil-military duality



#### Minsait (inc. Mobility)

- Strengthen capabilities in **digital technologies**
- Expand in high-value geographies: **Europe and Middle East**

### Divestitures

- **Divest** non-core assets

## Alliances

*Alliances/JVs  
to be developed in  
next slide*

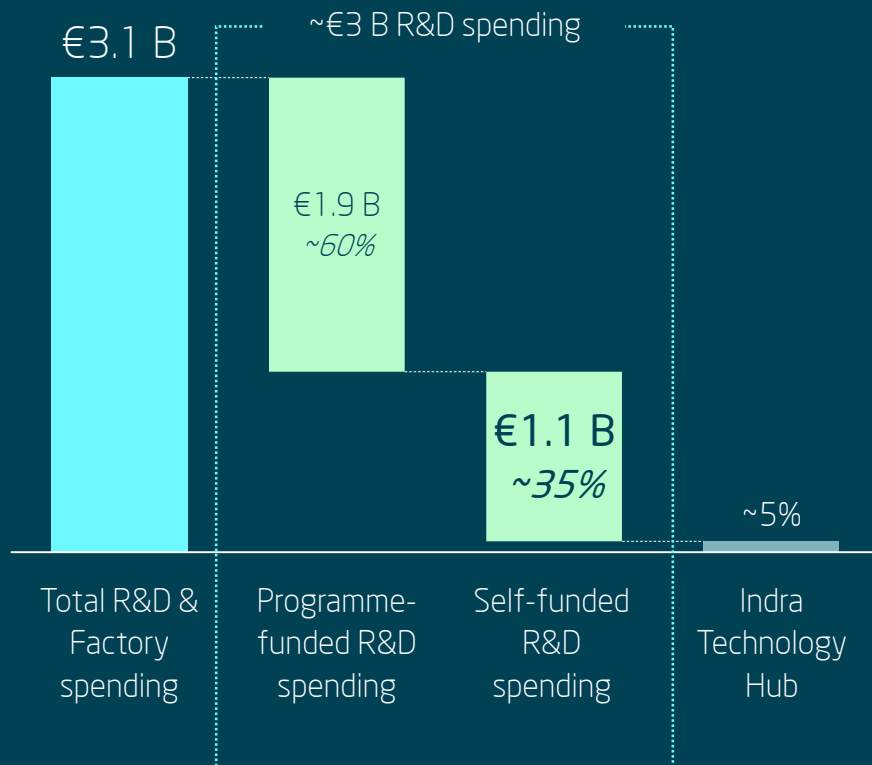
# 5. Activate portfolio rotation (M&A) and expand the ecosystem (partnerships and alliances)





## 6. Increase Investment in Tech R&D

We will invest €3.1 B in tech development until '30; €1.1 B self-funded



### Digital technologies

AI

Cloud/Edge Computing

IoT

VR/AR

- Expand current Systems, Functions and Applications to new limits
- Enable new intelligent, autonomous, reconfigurable & cognitive Systems



### Cutting-edge technologies

Microelectronics / SiP<sup>1</sup>

AESA / Gallium Nitride

Photonics

- Improve performance, compactness and electronic integration

Directed energy

Advanced optronics

Quantum

- Become forerunners in new technological developments

## 7. 'Double Down' on Critical Talent

Indra will cultivate a truly differential culture, pivoting around five pillars



Creation of  
**5,000+**  
high-value  
technology and  
digital jobs until  
2026

# We will reaffirm ourselves as market reference for ESG

## Main '24-'26 ESG commitments

- **Accelerate decarbonisation** roadmap: Net Zero across all value chain by 2040
- Adopt **eco-design** criteria in all **new products**
- Improve **sustainability** in our **supply chain**
- Incorporate best practices for **responsible use of AI & data privacy** in our solutions
- Increase **diversity** at leadership & management levels
- Strengthen **oversight** of ESG risks by governance bodies



Comprehensive ESG Plan structured around  
**16 strategic lines** with **more than 15 KPIs**

Indra is currently recognized  
by most relevant ESG ratings

Dow Jones > Top 1 in sector

MSCI > AA (*2nd best score*)

Sustainalytics > Low ESG risk

ecovadis > Platinum score



The background of the slide features a blurred image of a hand pointing at a bar chart displayed on a tablet. The chart has several blue bars of varying heights. The overall color scheme is a gradient of blue, with a yellow rectangular block in the bottom left corner.

# Financial projections

# Leading the Future



2023

2026

2030

Revenue

€4.3 B

€6 B

€10 B

EBITDA

10.3%

&gt;12%

&gt;14%

EBIT

8.0%

10%

12%

FCF

€0.9 B  
cumulative '24-'26

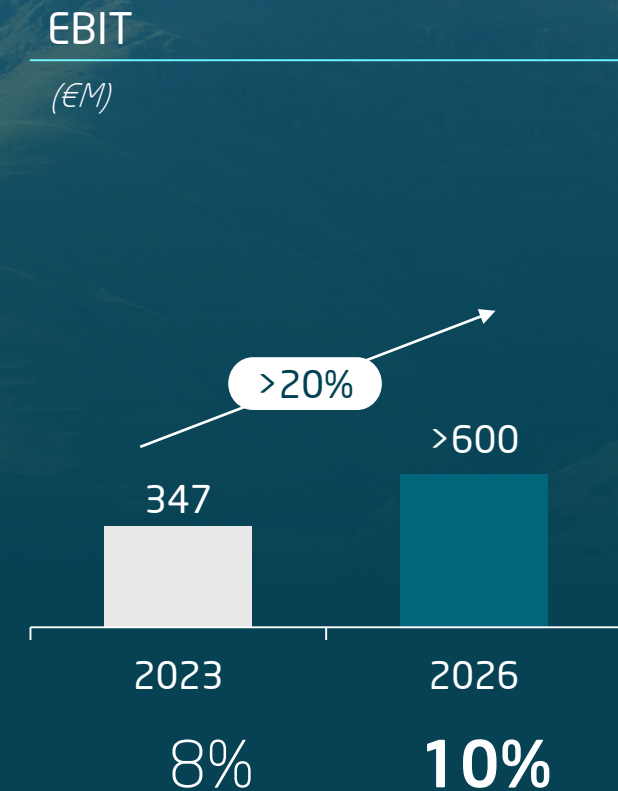
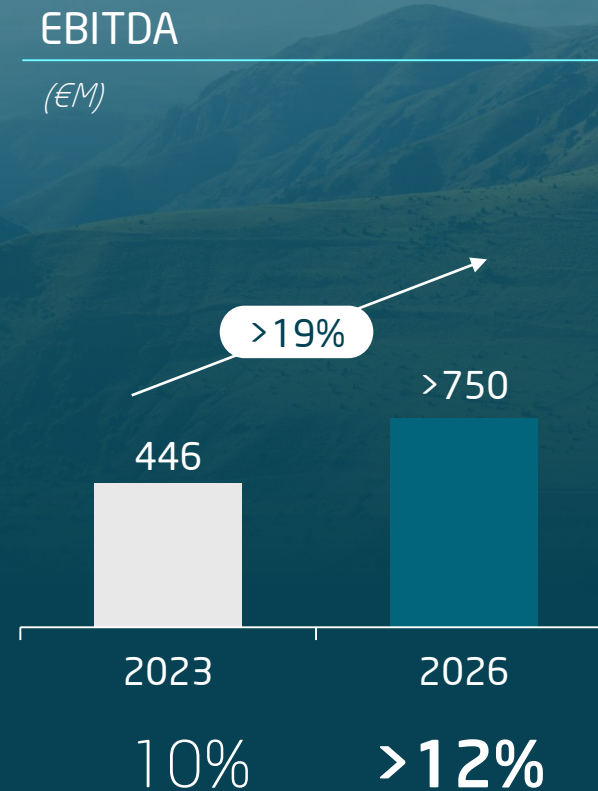
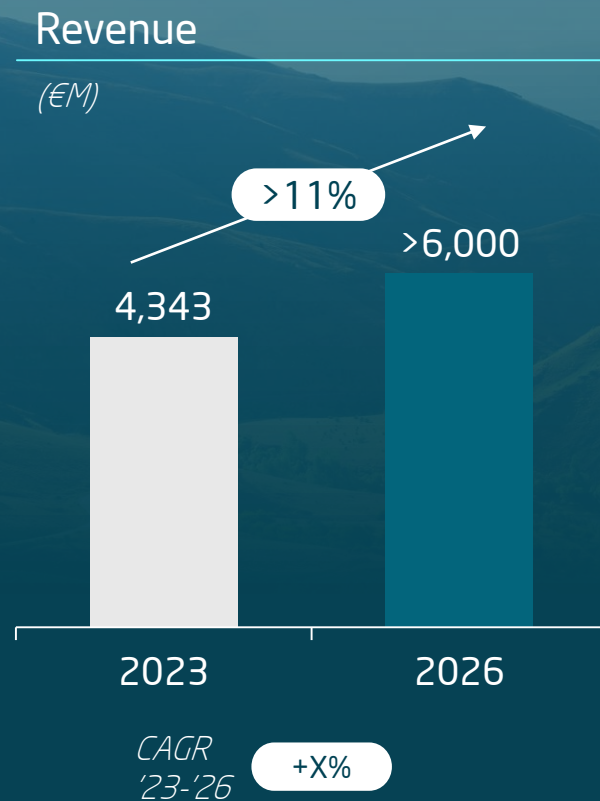
€2-2.5 B  
cumulative '27-'30

&gt;

>€3 B  
'24-'30


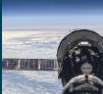

# '23-'26 Strategic Plan Financials

## We will accelerate growth in EBITDA and EBIT





# '23-'26 Strategic Plan Financials | Business Overview

Organic			Organic		Organic		Organic	
Revenue Evolution			EBITDA Evolution		EBIT Evolution		FCF	
	2023 (€M)	2026 (€M)	CAGR '23-'26	2023 (€M, % revenue)	2026 (€M, % revenue)	2023 (€M, % revenue)	2026 (€M, % revenue)	2024-2026 (€M, cumulative)
 Defence	773	1,100	+12%	156 20%	220 20%	140 18%	185 17%	800
 ATM	361	500	+11%	57 16%	80 16%	44 12%	67 13%	
 Space	44	60	+11%	7 15%	10 16%	6 13%	8 13%	
 Minsait (inc. Mobility)	3,165	3,640	+5%	226 7%	340 9%	157 5%	265 7%	
Indra (€M)	4,343	5,300		446 10%	650 12%	347 8%	525 10%	
CAGR 23-'26			+7%	CAGR 23-'26	+13%	CAGR 23-'26	+15%	

# Capital Allocation Priorities



## M&A Acceleration

Allocate >75% of acquisitions spend on **Defence & Aerospace**

Minsait's **firepower** expected to **increase** with the arrival of a new **partner**

Focus of M&A targets in **Spain, Western Europe, Middle East & North America**

M&A transactions will be **aligned** with **strategy** and **growth story**, and accretive for shareholders



## Continued increase in technology investment

+€1.2 B technology spending **until 2026**

- ~€0.7 B programme-funded R&D spending
- ~€0.4 B other R&D spending
- ~€0.1 B Indra Technology Hub



## Financial stability & greater shareholder returns

2026 Net Financial Debt / EBITDA of 1.0x – below industry peers – with a maximum threshold of up to 2.0x in '24-'26 period

Dividend practice **in line** with current payout ratios (~20%), consistent with company strategy

## '23 vs. '26 EBITDA

Defence & Aerospace contribution to EBITDA increasing significantly within 2023 to 2026 period

2023 EBITDA split

Minsait



Defence &  
Aerospace

2026 EBITDA split

Minsait



Defence &  
Aerospace



## '26 Guidance



Divestiture of assets (on top of non-core ones already considered) will only be executed if Guidance targets are met

*Top-management mid-term incentive scheme (IMP) will be linked to this Guidance*

# 'Leading the Future' ambitious growth plan

€6,000 M

Revenue  
2026

>12%

EBITDA margin  
2026

10%

EBIT margin  
2026

€900 M

FCF  
2024-26

01. | **Focus on Defence & Aerospace**, becoming a multidomain European reference in Defence, and the global leader in Air Traffic Management
02. | Create a **Space NewCo** with international partners to consolidate as **Tier-1 European player** with end-to-end capabilities
03. | Increase **Minsait autonomy's** within the Group through a new partner to accelerate the deployment of the ambitious growth plan
04. | Roll-out **three new clusters of home markets** to boost local positioning
05. | **Divest non-core assets** and **expand our ecosystem** to consolidate our footprint and acquire new capabilities for our portfolio
06. | Invest **>€3B in technology development until 2030**, of which €1 B self-funded, including the new **Indra Technology Hub**
07. | Deploy a truly recognizable & shared **'Indra Way' culture** that embraces diversity, fosters accountability and translates into pride of belonging



Anex I:

Last Quarterly Results



# 9M24

## Main headlines

### Financial headlines: Solid 3Q24 performance

- 9M24 Revenues (+13%), EBITDA (+21%), EBIT (+27%) and Net Income (+26%) all growing at double-digit rates
- Backlog above 7Bn€ at Sept 24
- Increased operating profitability (EBITDA and EBIT margin improvement)
- Net Debt reduced to 70 M€ (Sept 24) vs 233 M€ (sept 23)
- Indra received a €59.6 million dividend from its 9.5% stake in ITP Aero

### Business headlines: Implementation of 'Leading the Future' on track

Approval of the constitution of a Space NewCo and acquisition of Deimos

- Space NewCo constitution approved by the Board of Directors in August 2024, to serve as a vehicle to provide comprehensive capabilities throughout the space industry value chain
- Acquisition of Deimos: Spanish company that will allow Indra to reinforce its Space capabilities in all phases of space missions, including satellite design & integration and the ground segment

Completion of acquisition of TESS: Consortium designed to develop and supply advanced military vehicles (VCR 8x8 and VAC) for the Spanish Army

Board approval for a formal process to explore options for Minsait Payments division

Other key acquisitions:

- MQA: leading company in SAP solutions in Colombia and Central America that will strengthen Minsait's digital and international portfolio focus



# Key developments in the implementation of Leading the Future

## Business strategic lines

### 1. Focus on Defence & Aerospace

#### Defence

- New governance to improve key European programs' management
- New commercial model to support 11 priority systems
- New Engineering and Manufacturing footprint designed and launched

#### Air Traffic Management

- Increased footprint in NorAm and APAC with the Air Traffic Control contract in Vietnam and the expected one of NEXCOM (radios) in USA

### 2. Create a Space NewCo

#### Space

- Space NewCo approved and created to serve as a vehicle to provide **comprehensive capabilities** throughout the space industry value chain
- Deimos acquisition agreement signed to reinforce Space NewCo's capabilities

### 3. Increase Minsait's autonomy with partner(s)

#### Minsait

- Launched efficiency initiatives (e.g., GenAI) to enhance margins
- Launched "priority offer" initiative, promoting salesforce focus on high-value offering with margins +5pp above Minsait average
- Board approval to explore options for Minsait Payments

## Cross-Group strategic lines

### 4. Strengthen presence in new 'home markets'

- Regional Directors appointed to drive International Plan
- International Plan governance and reporting model implemented
- International Plans launched e.g. Middle East, North America, etc.

### 5. Activate portfolio rotation and expand the ecosystem

- TESS acquisition agreement signed
- MQA acquired to expand Minsait's digital capabilities (SAP solutions) in Colombia and Central America

### 6. Increase investment in technological R&D

- Product and Technology development roadmaps accounting for +1 Bn€ investment
- Control Tower and Stage Gate methodology launched to support the Technology Plan's deployment

### 7. 'Double down' on critical talent

- Decrease in undesired attrition rates across all geographies and BUs (e.g., -3pp in Defence)
- +13% increase in Defence headcount, with increase in experienced hires (65%)
- Decrease in number of critical hires needed across all BUs

# The constitution of a Space NewCo and acquisition of Deimos are key steps towards reinforcing Indra's Space capabilities



## Indra Space NewCo capabilities



End-to-end integration in Indra's Space NewCo, from upstream to downstream, is key to optimize synergies, ensure competitiveness, and secure access to prime roles in strategic programs and critical missions

# TESS Defence is a transformational opportunity for Indra



Accelerates Indra's positioning as the **national prime contractor** for land and systems defense, through the **leading Spanish entity for defense vehicles**



Enables **access to the Spanish land platforms market** with high visibility and a strong national portfolio (VCR 8x8, VAC, modernizations, maintenance contracts)



Strengthens the positioning of Indra as a **leading systems integrator** on an **international level** and enables Indra to act as the **national coordinator in large European land programs**



Provides **access to a very relevant pipeline** in land defense industry, a market worth over **120 billion euros globally**



# 9M24 Group Financial Results Headlines

## Backlog

€ 7,049m

+1.1%

## Order Intake

€ 3,702m

+7.4%

## Revenues

€ 3,400m

+12.7%

## EBITDA Margin

10.9% (€369m +21.2% YoY)

+0.8pp

## Operating Margin<sup>1</sup>

9.8% (€333m +23.9% YoY)

+0.9pp

## EBIT Margin

8.5% (€291m +27.4% YoY)

+0.9pp

## Net Income

€ 184m

+26.2%

## Free Cash Flow

€ 94m

-19.8%

## Net Debt

€ 70m

0.1x Net Debt/EBITDA





# 3Q24 Group Financial Results Headlines

## Revenues

€ 1,096m

+9.2%

## EBITDA Margin

12.7%<sub>(€140m +20.0% YoY)</sub>

+1.1pp

## Operating Margin<sup>1</sup>

11.3%<sub>(€124m +21.0% YoY)</sub>

+1.1pp

## EBIT Margin

10.2%<sub>(€111m +24.7% YoY)</sub>

+1.3pp

## Net Income

€ 70m

+24.2%

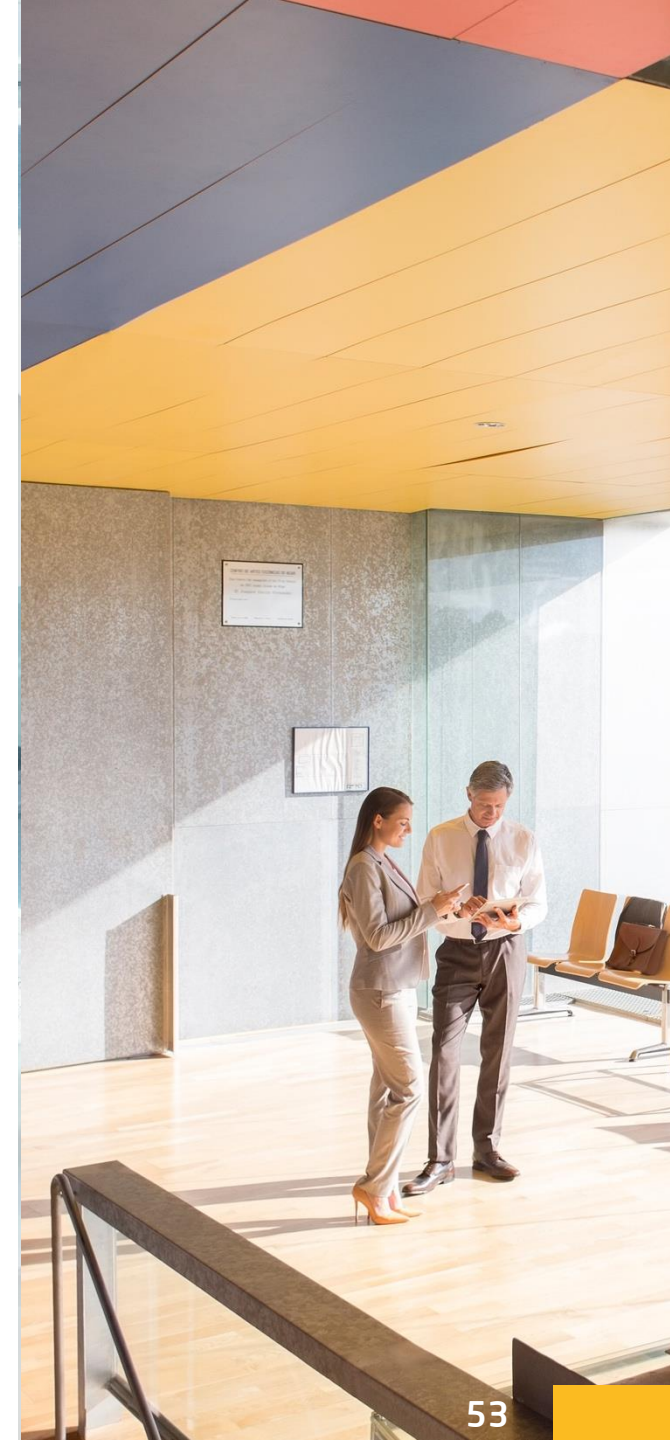
## Free Cash Flow

€ 25m

- 3Q24 Revenues increased +9.2%, posting growth in all four divisions
- EBITDA and EBIT Margins improved to 12.7% (vs 11.6%) and 10.2% (vs 8.9%) respectively
- EBITDA and EBIT growing at double-digit rates in absolute terms
- Net Income up +24.2%

# New 2024 Guidance after a solid 1H24

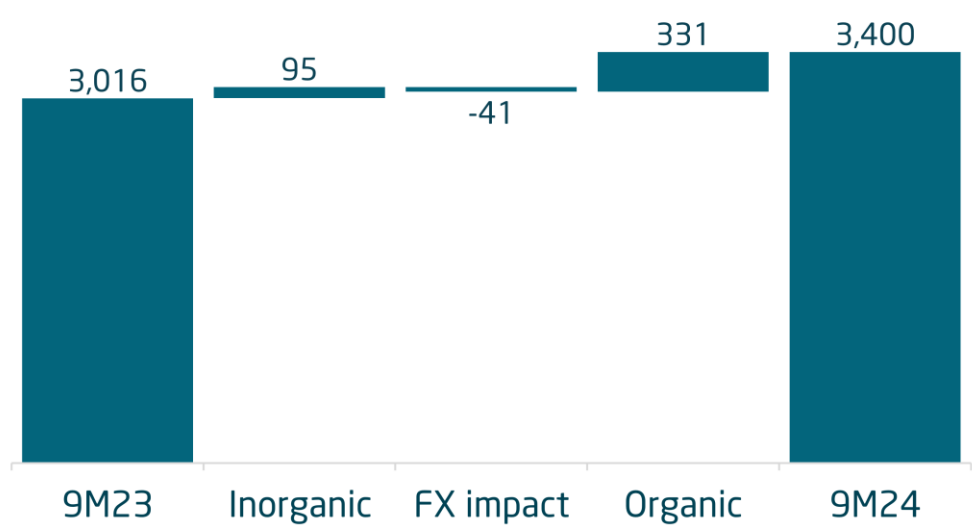
	2023 Results	2024 Guidance	2024 New Guidance
Revenues (in local currency)	€4,398m	> €4,650m	> €4,800m
EBIT	€347m	> €400m	> €415m
FCF	€312m	> €250m	> €260m



# Sales reached Double-Digit Growth in 9M24

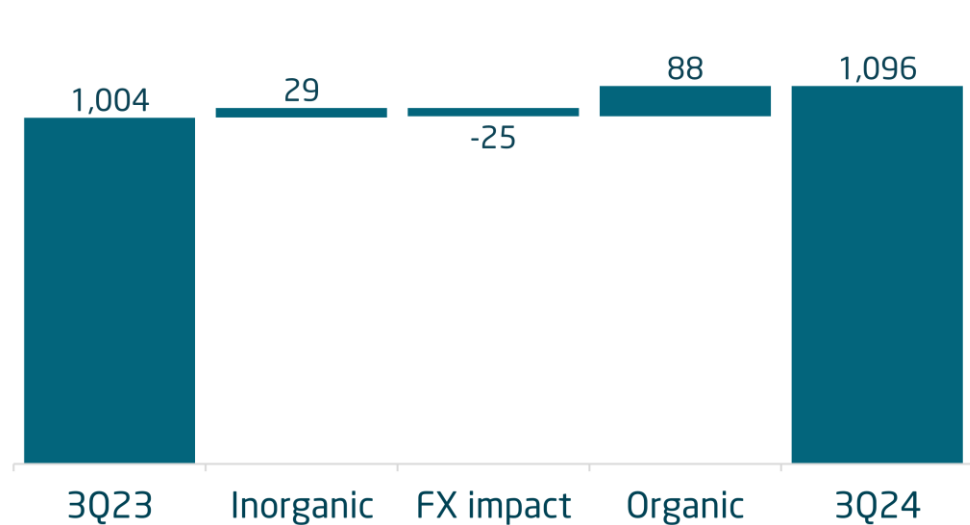
## 9M24 Revenues

Reported	+ 13%
Local Currency	+ 14%
Organic	+ 11%



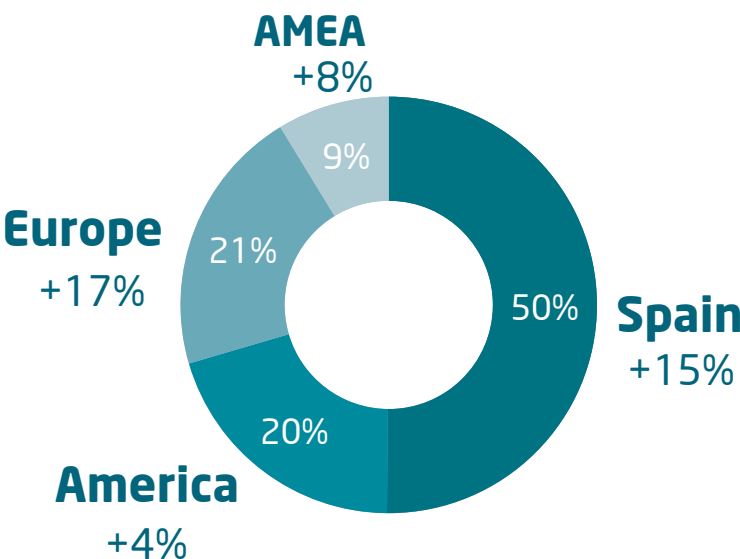
## 3Q24 Revenues

Reported	+ 9%
Local Currency	+ 12%
Organic	+ 9%



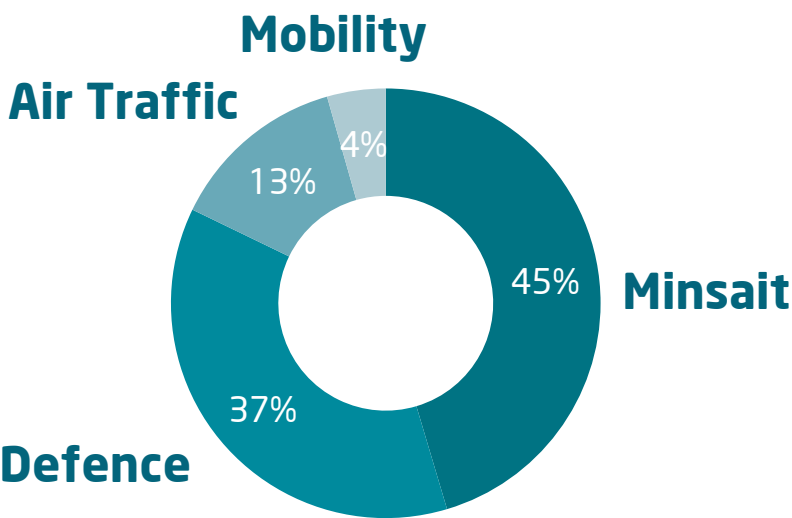
# Breakdown by Geography and Division

9M24 Revenues breakdown by Geography



International Business  
covering 50%

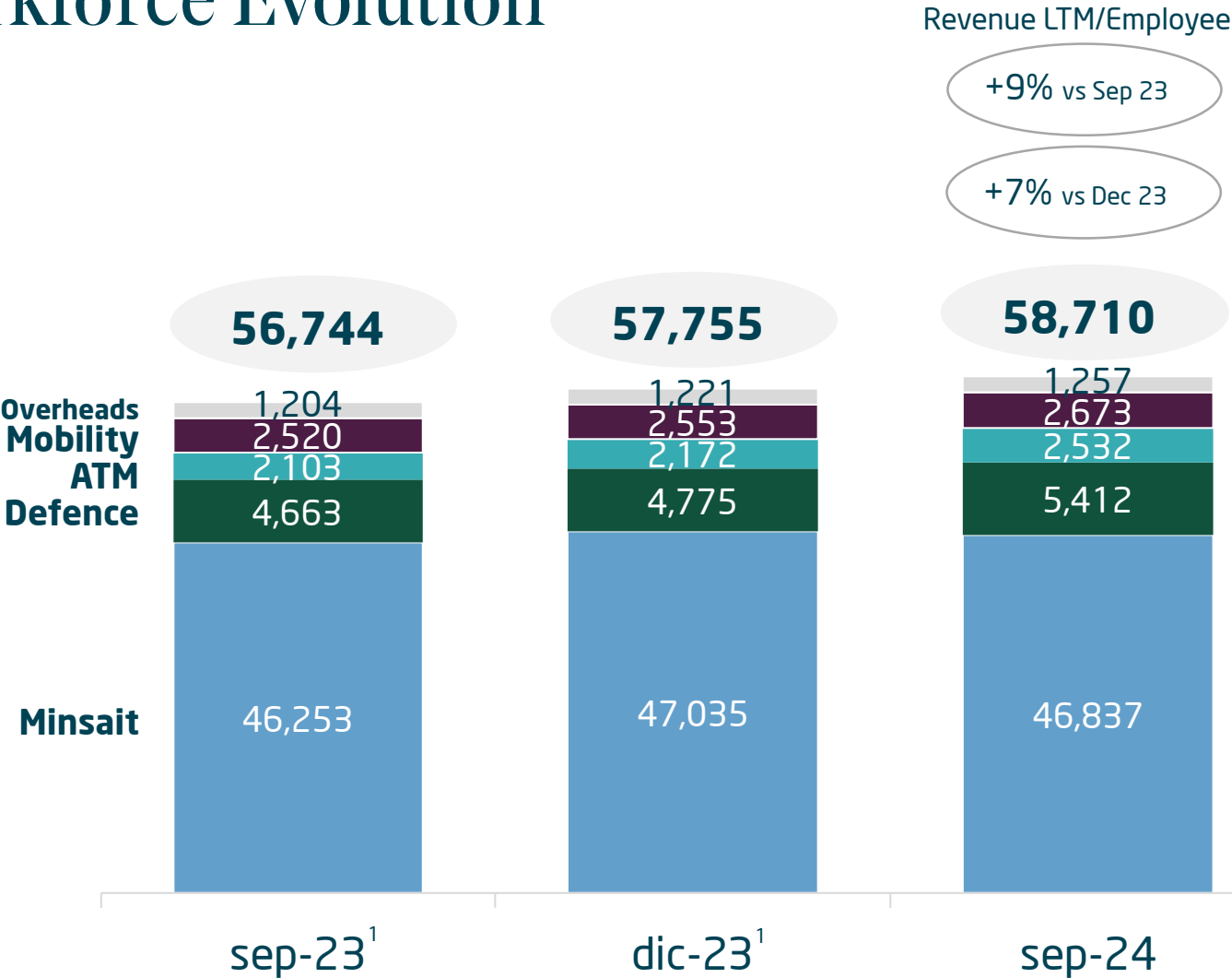
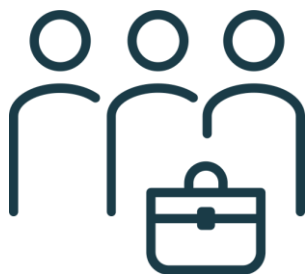
9M24 EBITDA breakdown by Division



Defence, ATM and Mobility  
EBITDA account for 55% of total



# Group Workforce Evolution



Workforce increased +3% compared to 9M23

1. Reclassifications in 2023 data between divisions and overheads due to the new organization announced in 2023



# Defence 9M24

<b>Backlog</b>	<b>Order Intake</b>	<b>Revenues</b>
€ 2,975m	€ 692m	€ 673m
-2.3%	+9.7%	+25.2%
<b>EBITDA Margin</b>	<b>Operating Margin<sup>1</sup></b>	<b>EBIT Margin</b>
20.2% (€136m +26.1% YoY)	18.5% (€125m +26.5% YoY)	17.9% (€121m +28.4% YoY)
+0.1pp	+0.2pp	+0.4pp
<b>Book-to-Bill</b>	<b>Backlog/Revs LTM</b>	
1.03x	3.12x	
1.17x in 9M23	3.89x in 9M23	

1. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

## Defence

- Order Intake grew +10% mainly due to the Integrated Systems and Simulation areas
- Sales +25% bolstered by FCAS, Integrated Systems and Simulation areas
- Revenues excluding FCAS increased +11%
- Space showed +10% 9M24 sales growth
- EBIT Margin stood at 17.9%

# Defence 3Q24

## Revenues

€ 226m

+15.6%

## EBITDA Margin

25.4%<sub>(€57m +28.3% YoY)</sub>

+2.5pp

## Operating Margin<sup>1</sup>

23.2%<sub>(€52m +29.0% YoY)</sub>

+2.4pp

## EBIT Margin

22.6%<sub>(€51m +29.1% YoY)</sub>

+2.3pp

## Defence

- Revenues +16% backed by Integrated Systems and Eurofighter
- EBITDA and EBIT grew at double digit rate
- EBIT margin improved to 22.6% from 20.3% mainly due to the Eurofighter contribution

1. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

# Air Traffic Management

## 9M24

## Air Traffic Management

- Order Intake up +52% mainly due to the Canada, Colombia and Vietnam contracts
- Sales +35% boosted by organic growth (Colombia, Belgium, UAE and Azerbaijan) and the inorganic contribution of Park Air in UK and Selex in USA
- EBIT Margin stood at 12.3% due to lower profitability of Selex and Park Air

<b>Backlog</b>	<b>Order Intake</b>	<b>Revenues</b>
€ 840m	€ 415m	€ 312m
+9.2%	+52.2%	+34.8%
<b>EBITDA Margin</b>	<b>Operating Margin<sup>1</sup></b>	<b>EBIT Margin</b>
15.9% (€50m +19.4% YoY)	12.5% (€39m +17.8% YoY)	12.3% (€38m +20.6% YoY)
-2.0pp	-1.9pp	-1.4pp
<b>Book-to-Bill</b>	<b>Backlog/Revs LTM</b>	
1.33x	1.90x	
1.18x in 9M23	2.27x in 9M23	

1. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.



# Air Traffic Management 3Q24

## Revenues

€ 106m

+38.9%

## EBITDA Margin

16.6%<sub>(€17m +3.7% YoY)</sub>

-5.6pp

## Operating Margin<sup>1</sup>

13.4%<sub>(€14m +6.7% YoY)</sub>

-4.1pp

## EBIT Margin

13.1%<sub>(€14m +6.8% YoY)</sub>

-3.9pp

## Air Traffic Management

- Sales +39% driven by the projects in Colombia, UAE, Germany and the inorganic contribution of Park Air
- EBIT posted +6.8% growth

1. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

# Mobility 9M24

<b>Backlog</b>	<b>Order Intake</b>	<b>Revenues</b>
€ 921m	€ 265m	€ 256m
-2.3%	+15.0%	+16.4%
<b>EBITDA Margin</b>	<b>Operating Margin<sup>1</sup></b>	<b>EBIT Margin</b>
6.4% <sub>(€16m n.m.)</sub>	5.3% <sub>(€14m n.m.)</sub>	4.4% <sub>(€11m n.m.)</sub>
+7.1pp	+6.9pp	+7.2pp
<b>Book-to-Bill</b>	<b>Backlog/Revs LTM</b>	
1.03x	2.29x	
1.05x in 9M23	2.87x in 9M23	

1. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

## Mobility

- Order Intake +15% driven by the ticketing contracts in Ireland and in Saudi Arabia
- Sales +16% standing out the growth showed in America (Mexico and Peru) and Europe (UK)
- EBITDA and EBIT Margins improved to 6.4% from -0.7% and 4.4% from -2.8% respectively, due to lower impact of problematic projects and increased focus on profitability

# Mobility 3Q24

## Revenues

€ 84m

+23.7%

## EBITDA Margin

8.2%<sub>(€7m n.m.)</sub>

+7.4pp

## Operating Margin<sup>1</sup>

6.3%<sub>(€5m n.m.)</sub>

+7.1pp

## EBIT Margin

5.7%<sub>(€5m n.m.)</sub>

+7.5pp

## Mobility

- Sales +24% boosted by Mexico, Peru and Spain
- EBITDA and EBIT Margins improved to 8.2% from 0.8% and 5.7% from -1.8% respectively

1. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

# Minsait

## 9M24

<b>Backlog</b>	<b>Order Intake</b>	<b>Revenues</b>
€ 2,313m	€ 2,331m	€ 2,159m
+4.3%	+0.7%	+6.5%
<b>EBITDA Margin</b>	<b>Operating Margin<sup>1</sup></b>	<b>EBIT Margin</b>
7.8% (€168m +6.8% YoY)	7.2% (€156m +10.8% YoY)	5.6% (€120m +10.9% YoY)
+0.1pp	+0.2pp	+0.2pp
<b>Book-to-Bill</b>	<b>Backlog/Revs LTM</b>	
1.08x	0.79x	
1.14x in 9M23	0.81x in 9M23	

1. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

## Minsait

- Order Intake growing +1% pushed by the growth recorded in Financial Services
- Revenues up +7%, backed by PPAA & Healthcare, Energy & Industry and Financial Services
- EBIT margin grew to 5.6% thanks to increased operating leverage, better mix and continuous focus on cost efficiency
- Digital and Solutions joint sales +11% in 9M24 and accounted for 51% of Minsait sales



# Minsait 3Q24

## Revenues

€ 680m

+2.4%

## EBITDA Margin

8.5% (€58m +6.6% YoY)

+0.3pp

## Operating Margin<sup>1</sup>

7.6% (€52m +6.0% YoY)

+0.2pp

## EBIT Margin

6.1% (€42m +9.5% YoY)

+0.4pp

Minsait

- Revenues up +2%, all verticals grew except for Telecom & Media
- Minsait's EBIT Margin stood at 6.1% vs 5.7%

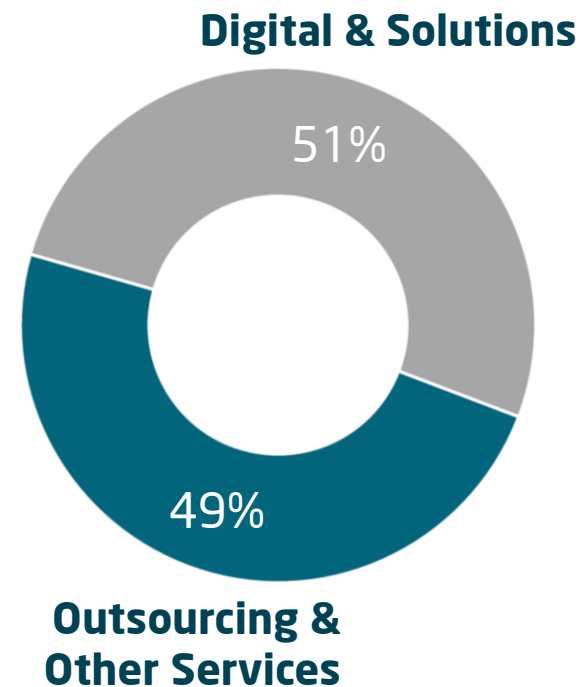
1. EBIT before Other Operating Income & Expenses, including: staff reorganization, impairments, capital gains, integration and acquisition costs, fines, amortization of intangible assets (PPA from acquisitions) and equity-based compensation.

# Minsait Revenues by Horizontal Lines:

## Digital & Solutions grew +11% and Represents 51% of Minsait's Sales

Minsait

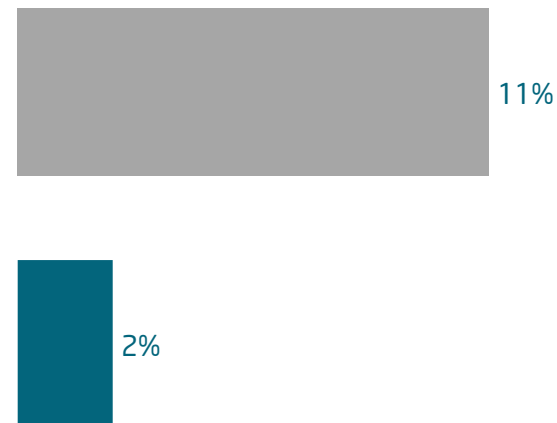
### 9M24 Revenues



indra

### Revenue Growth 9M24 vs 9M23

(reported figures)



### Revenue Growth 3Q24 vs 3Q23

(reported figures)

**Digital & Solutions**

**Outsourcing & Other Services**

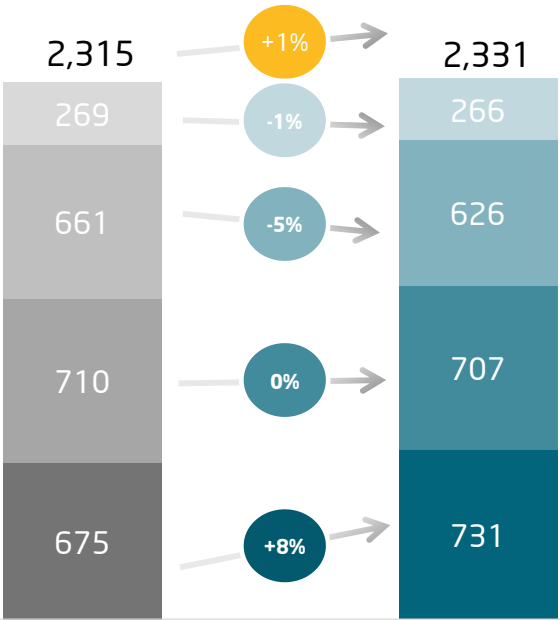


# Minsait's Order Intake and Revenues



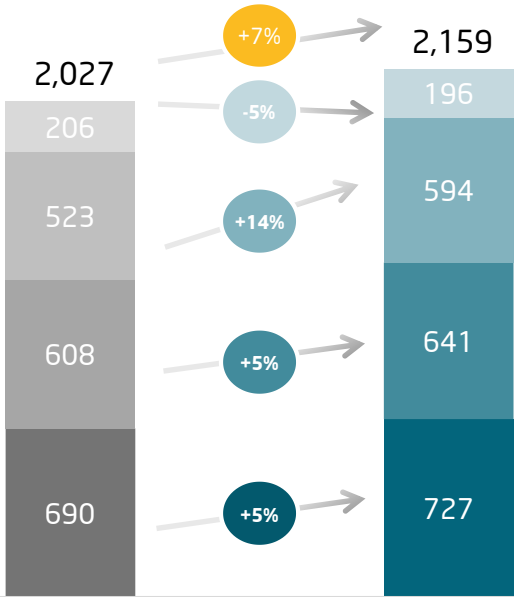
## 9M24 Order Intake (€m)

Reported



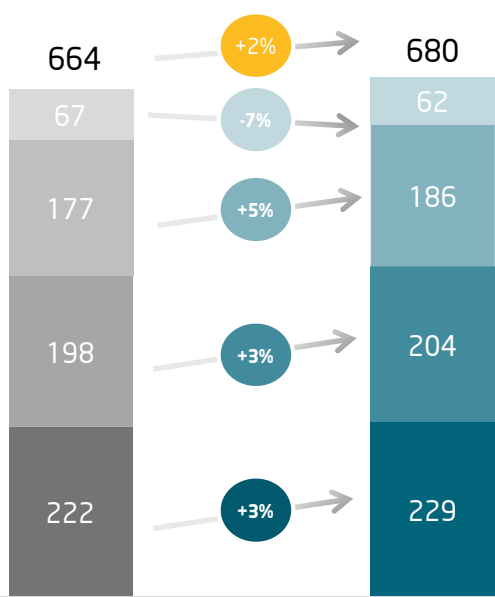
## 9M24 Revenues (€m)

Reported

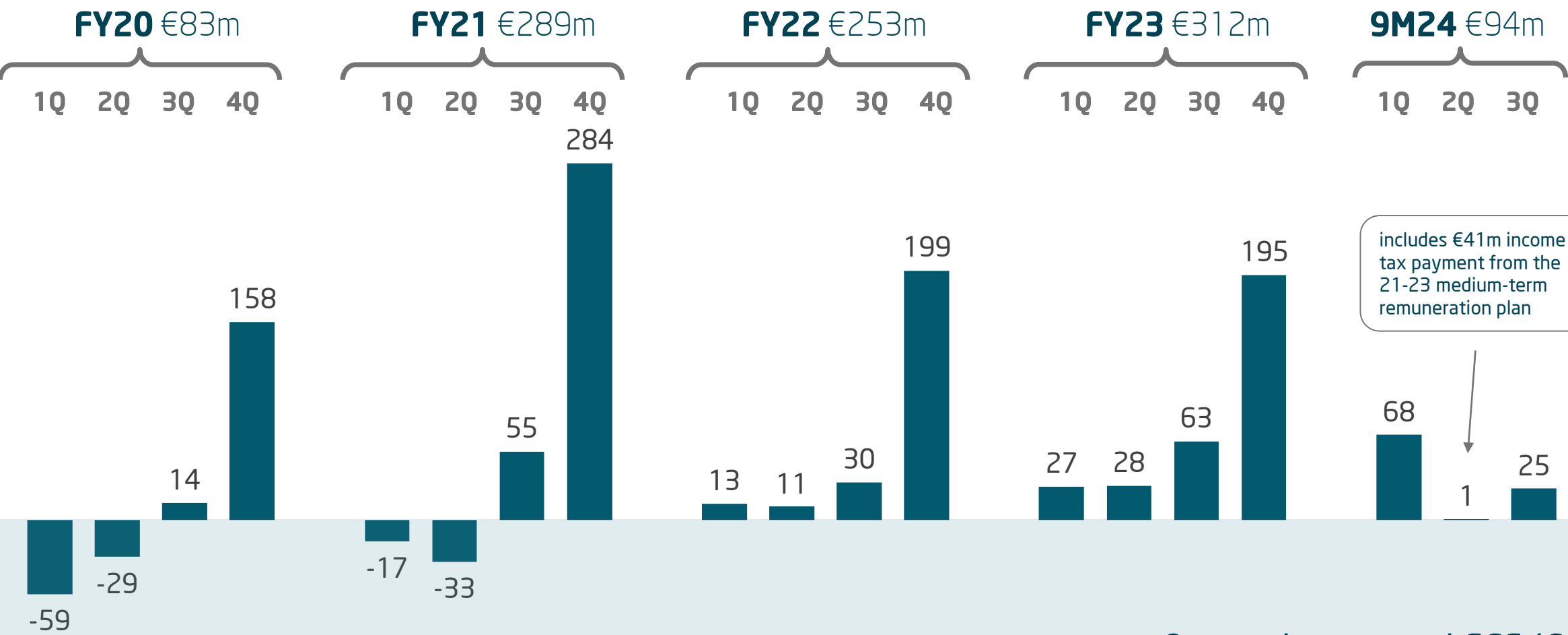


## 3Q24 Revenues (€m)

Reported



# 9M24 FCF Generation

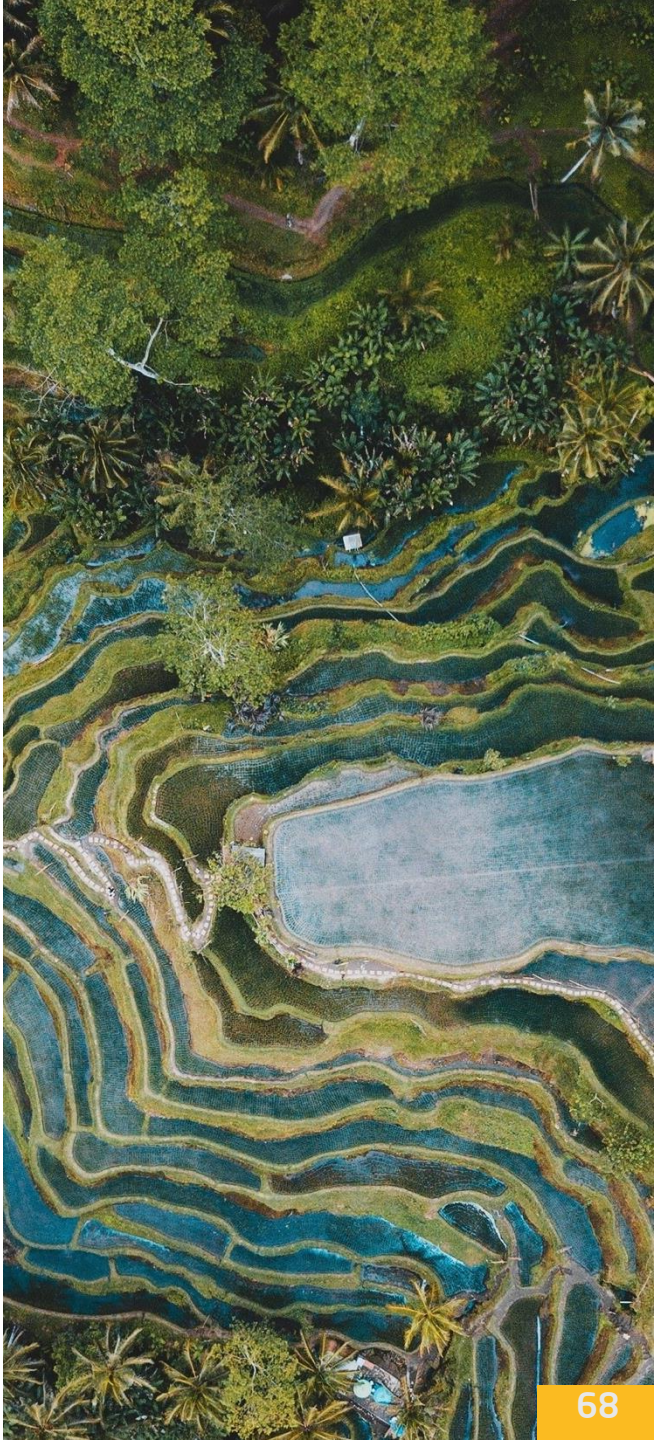
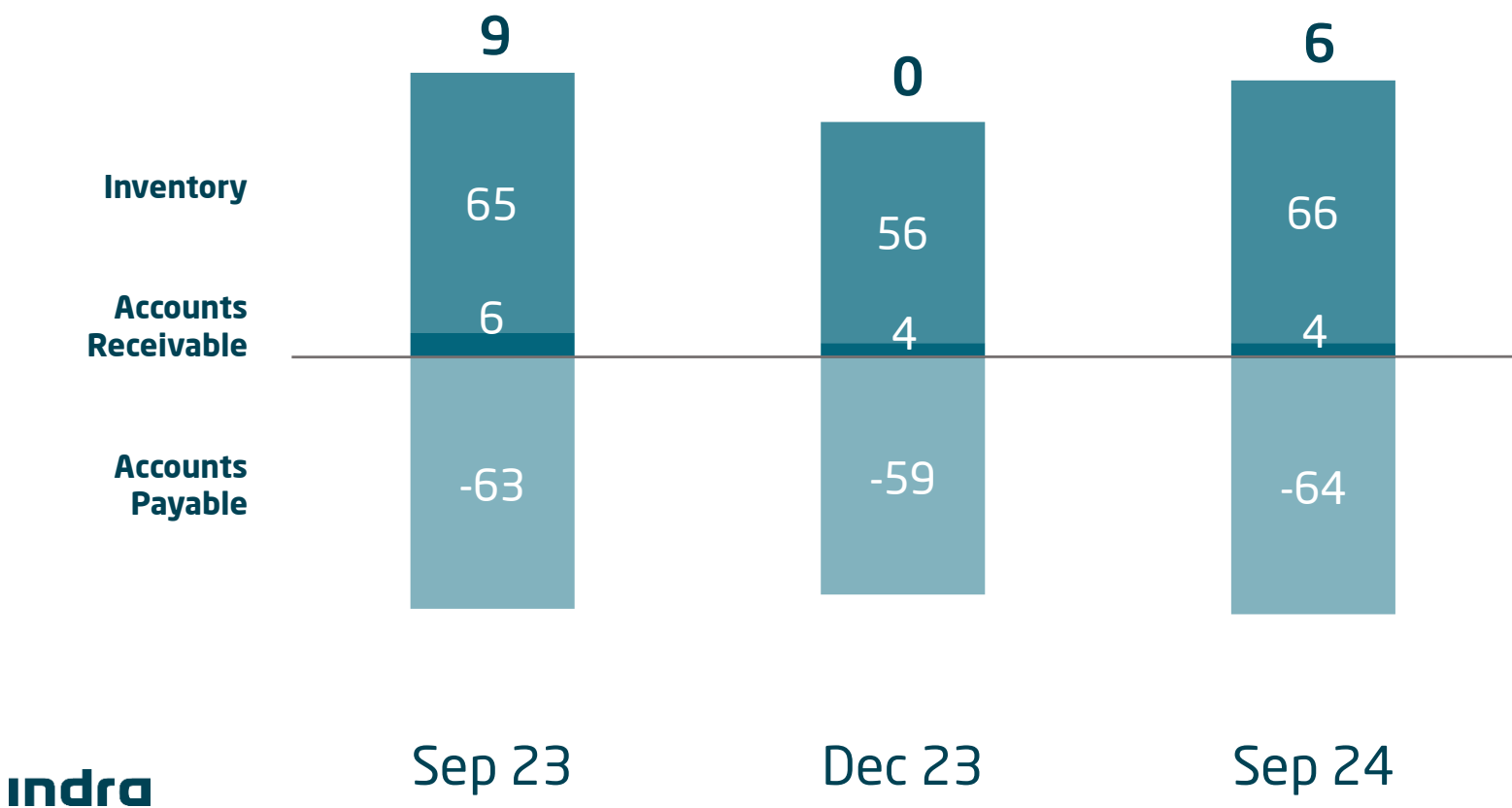


Quarterly reported FCF (€m)

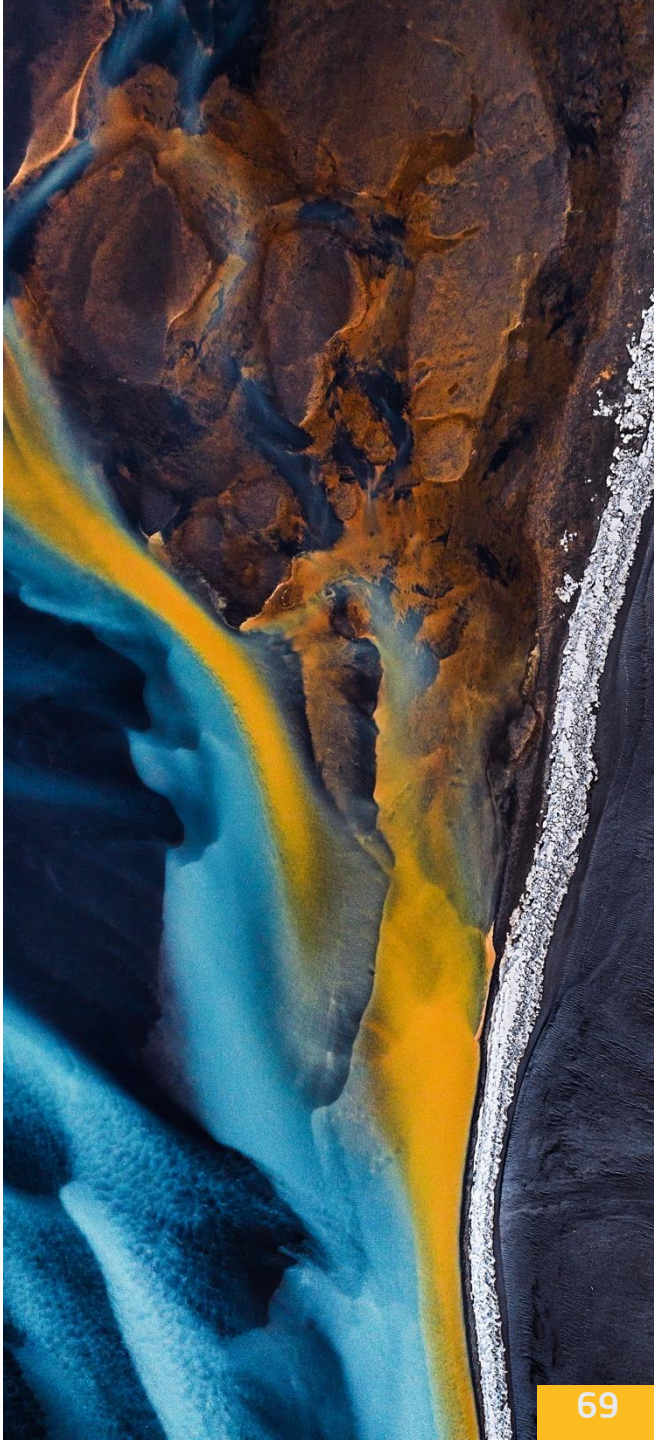
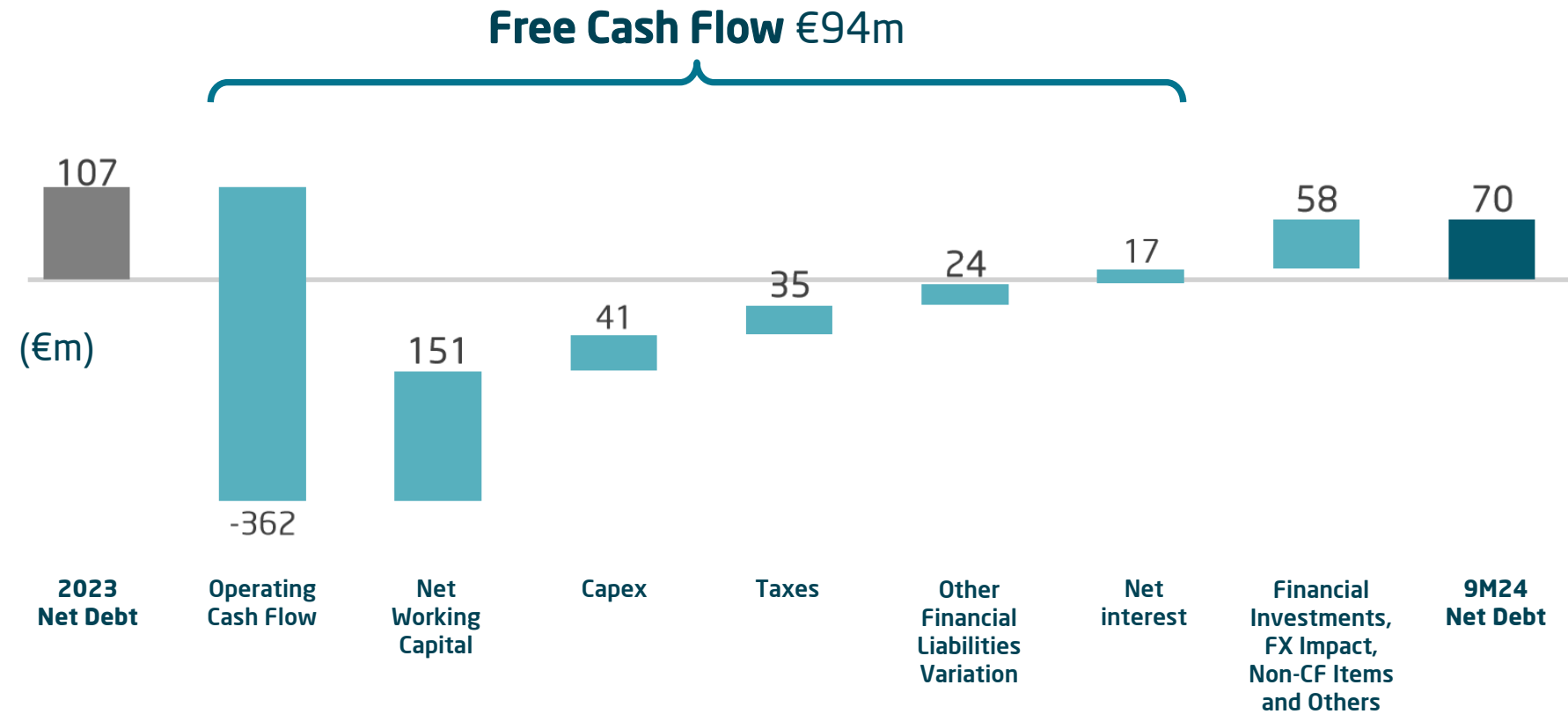


# Net Working Capital Evolution

## Net Working Capital ST+LT (DoS)



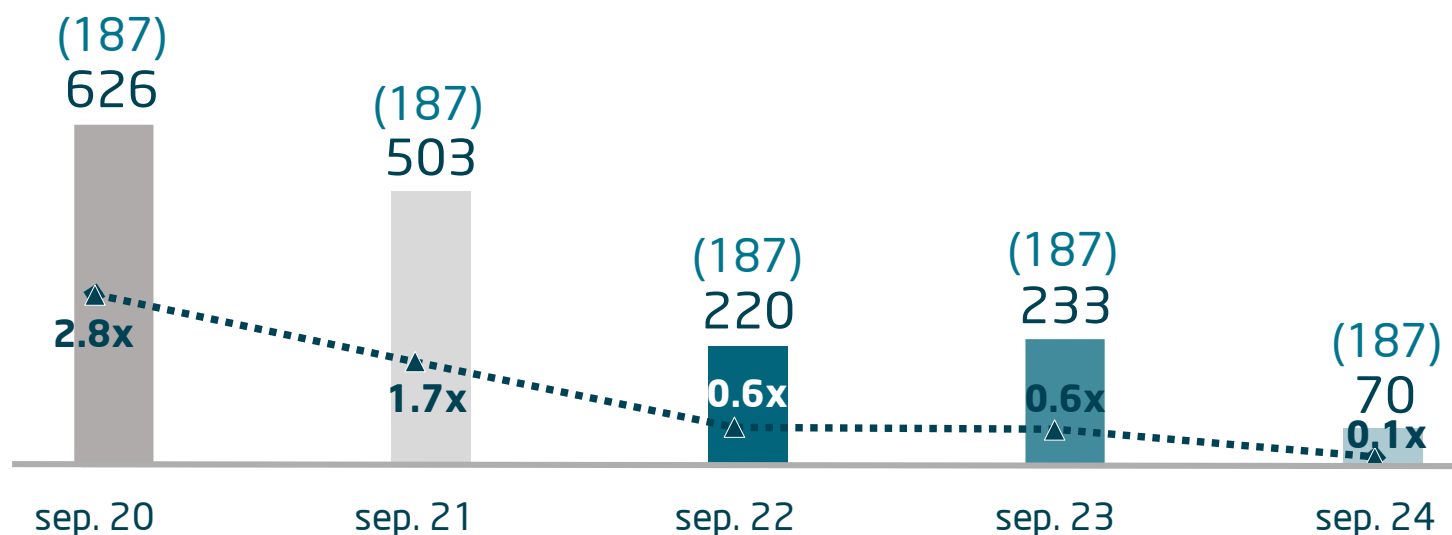
# Strong 9M24 Operating FCF Drives Net Debt to just 0.1x at end September 2024





# Net Debt Evolution Supported by Strong Cash Flow Dynamics

## Net Debt (€m)

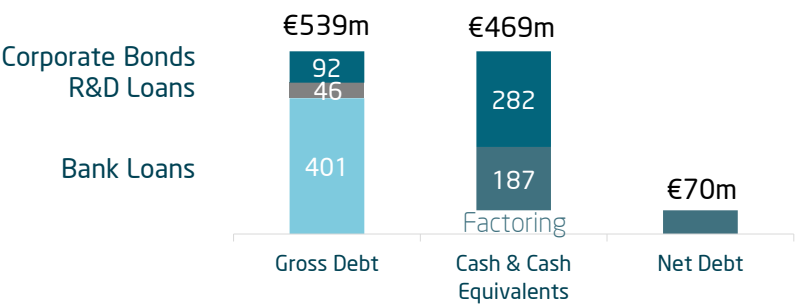


(Factoring) <sup>1</sup>  
Net Debt  
Net Debt/  
EBITDA LTM<sup>2</sup>

1. Non-recourse factoring; 2. EBITDA LTM excluding IFRS 16, extraordinary items related to employee restructuring plans

# Diversified Debt Structure

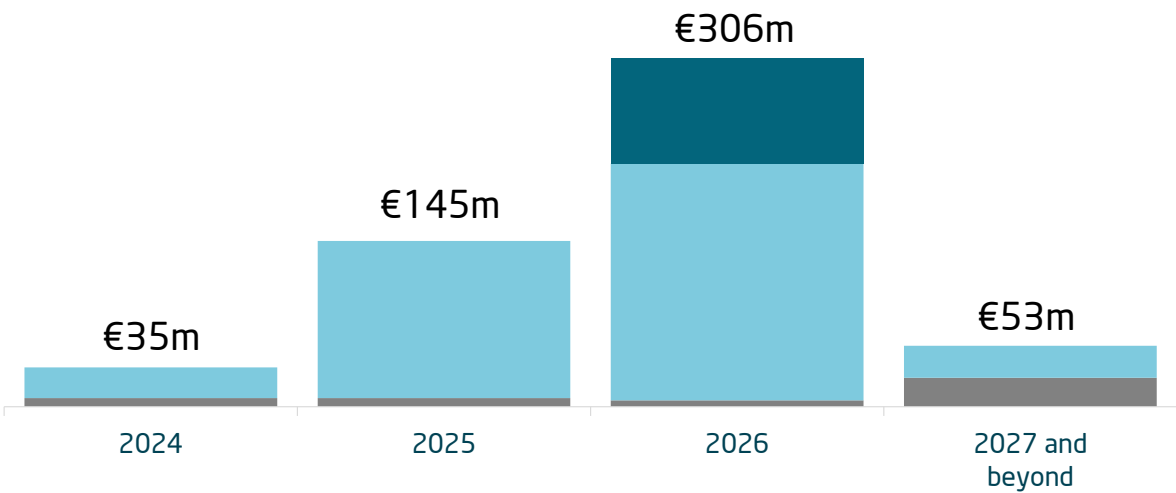
## Gross and Net Debt Structure



Other available credit facilities: €778m

	9M24	FY23
Average life (years)	1.5	1.7

## Gross Debt Maturity Profile



	9M24	% total	FY23	% total
L/T Debt	349	65%	479	68%
S/T Debt	191	35%	224	32%
Gross Debt	539	100%	703	100%
Cost of Gross Debt	4.3%		3.2%	
Cash & Others	469	n.m.	596	n.m.
Net Debt	70	n.m.	107	n.m.



**indra**  
At the core